



CWCC

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Chairman

January 13, 2016

**REAUTHORIZATION OF THE CLEAN WATER ACT MAY BE INCLUDED IN THE HOUSE TRANSPORTATION & INFRASTRUCTURE COMMITTEE WRRDA REAUTHORIZATION BILL**

Clean Water Construction Coalition representatives have been in active discussions with House Transportation & Infrastructure Committee staff members concerning the reauthorization of the Clean Water Act. The Committee has begun an effort to draft legislation to reauthorize the WRRDA 2014 Act and is considering including reauthorization of the CWSRF program as part of the bill.

At this time, it appears that including the reauthorization of the CWSRF as part of the WRRDA measure has bipartisan support, however, the Democrats and Republicans have different ideas concerning funding levels. The Democrat members of the House T & I Committee have drafted a \$13.8 billion, 5 year bill while the Republicans have indicated that they support moving a reauthorization bill at the funding level of the average of the last five years of appropriations to the program. The Republicans are willing to move legislation at higher funding levels but only if budget offsets that equal the increased funding are identified. Currently, Democrat members and staff are working to identify budget offsets. At the request of the House T & I Committee, the Coalition reviewed the draft bill and submitted comments to the Committee staff.

We will continue to update the Coalition on this issue

**COALITION REPRESENTATIVES MEET WITH OMB OFFICIALS TO DISCUSS PRESIDENT'S FY 2017 BUDGET**

Coalition representatives met with officials from the Office of Management and Budget (OMB) several weeks ago to advocate for the highest funding levels for the Clean Water and Safe Drinking Water SRF's to be included in the President's Fiscal Year 2017 Budget. OMB assists the President in the development of the Administration's annual budget. Last year the Obama Administration proposed substantial cuts to the annual Clean Water and Safe Drinking Water programs. The Coalition is urging the Administration to increase funding for the CWSRF and SDSRF programs. The Administration is expected to release its FY 2017 budget on February 9, 2016.

- AGC of America
- AGC of Texas
- Alabama Utility Contractors Association
- Arizona Utility Contractors Association
- Associated Pennsylvania Constructors
- Associated Utility Contractors Of Maryland \*
- Connecticut Construction Industries Association
- CIC of Westchester County & Hudson Valley \*
- Engineering Contractors Association
- General Contractors Association Of New York
- Georgia Utility Contractors Association
- Indiana Construction Association
- Long Island Contractors Association
- Maryland Transportation Builders & Materials Association
- Michigan Infrastructure & Transportation Association
- Minnesota Utility Contractors Association\*
- National Rural Water Association
- New Mexico Utility Contractors Association
- Ohio Contractors Association
- Public Works Contractors Association of Maryland
- Southern California Contractors Association
- Tennessee Road Builders Association
- Underground Contractors Association of Illinois \*
- United Contractors \*
- UCA of Anne Arundel County
- Utility Contractors Association of New England \*
- Utility & Transportation Contractors Association of New Jersey \*
- Contractors Association Of West Virginia
- Wisconsin Underground Contractors Association

\* Steering Committee Member

## **TWO NEW STATE CHAPTERS JOIN THE CLEAN WATER CONSTRUCTION COALITION**

The Coalition wishes to welcome two new State chapters to our organization. State chapters from New Mexico and Arizona recently joined the Coalition. Please note the contact details for these organizations:

New Mexico Utility  
Contractors Association  
Jane Jernigan, Executive Director  
P.O. Box 90847  
Albuquerque, New Mexico  
505 888-0752  
505 884-0668 facsimile  
nmuca@nmuca.org

Arizona Utility  
Contractors Association  
Connie Peretz, Executive Director  
P.O. Box 66935  
Phoenix, Arizona  
480 775-3943  
602 532-7573 facsimile  
connie@wedigaz.org

## **FEDERAL ADVOCATES REPORT FOR JANUARY 2016**

Attached with this notice is Federal Advocates January 2016 report.



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### *January 2016 Insights*

#### **T&I Clean Water Authorization Draft**

According to Committee staff, the WRRDA 2014 reauthorization effort is on a fast track. A draft bill is expected in February with House passage by June. Final enactment of a bill is highly likely next year given, in part, to the fact that it is Senator Boxer's last year in Congress. To review, the Democrats on the House Transportation and Infrastructure Committee have drafted a bill that would reauthorize the Clean Water SRF at \$13.8 B in CSWRF over a 5-year period. It would also authorize the sewer overflow control grant program at \$500M for each of FY16-20, and an alternate water source pilot project at \$50M for each of FY16-20. At the request of the Committee, the Coalition reviewed the draft and submitted comments (both the comments and draft bill have been provided to Coalition members).

#### **FAST Act: MAP-21 Reauthorization**

On December 4, the President signed into law (P.L.114-94) the FAST Act, "Fixing America's Surface Transportation Act." The bill includes an additional \$40B in non-user fee "payfors" which allowed the funding to be extended from three years to five years at modestly higher levels than current funding. Here are some of the infrastructure details:

The obligation limitation for the federal highway program is increased from the current \$40.2B to \$42.3B in FY'16, \$43.2B in FY'17, \$44.2B in FY'18, \$45.2B in FY'19 and \$46.3B in FY'20 - an increase of 15.1%;

Total transit funding is increased from the current \$10.7B to \$11.8B in FY'16, \$12.0B in FY'17, \$12.2B in FY'18, \$12.4B in FY'19 and \$12.6B in FY'20 - an increase of 17.8%. Funding for FTA's Capital Improvement Grants (CIG) - New Starts, Small Starts, Core Capacity - is increased from the current \$2.12B per year to \$2.3B per year for each of the five years;

For the first time ever, a surface transportation authorization bill includes a rail title. The FAST Act incorporates reauthorization of the PRIIA rail legislation. The PRIIA rail provisions are entirely funded with General Fund;

The bill includes both a new freight formula program and a freight discretionary program. The Nationally Significant Freight and Highway Projects Program, a competitive discretionary grant program, is funded at \$800M in FY'16, \$850M in FY'17, \$900M in FY'18, \$950M in FY'19 and \$1B in FY'20. Over the life of the bill up to \$500M can go to multimodal projects. The National Highway Freight Program is a formula program funded at \$1.15B in FY'16, \$1.1B in FY'17,

\$1.2B in FY'18, \$1.35B in FY'19 and \$1.5B in FY'20;

A new FTA Bus and Bus Facility discretionary grant program is funded at \$268M in FY'16, \$283M in FY'17, \$301M in FY'18, \$322M in FY'19 and \$344M in FY'20; and,

TIFIA is funded at \$275M in FY'16, \$275M in FY'17, \$285M in FY'18, \$300M in FY'19 and \$300M in FY'20; and,

The bill does not lift the cap on Private Activity Bonds (PABs) or include any new bonding programs.

The bill also eliminates the mandate contained in the WIFIA authorization for both USEPA and the Corps of Engineers that prohibited combining tax exempt financing with WIFIA assistance. Prior to this change, WIFIA generally could only support 49% of a project's costs with the remaining project costs financed only with taxable bonds. In a concession to private water supply interests, the agreement includes report language to the agencies that they provide equal funding consideration to public and private project sponsors.

### **FY16 Omnibus Appropriations Act**

The Consolidate Appropriations Act includes appropriations legislation and funding for the 12 annual Appropriations bills through the end of the fiscal year, September 30, 2016, as well as a tax measure that permanently extends more than 20 tax cuts for businesses and individuals (see the following section). The House passed the omnibus spending portion 316-113 and the tax-extenders 318-109. The Senate voted 65-33 to send the entire package to the President who signed the legislation into law on December 18. The overall level - \$1.15 trillion - reflects the increased domestic discretionary funding provided by the Bipartisan Budget Act of 2015, which was enacted on November 2. The bill includes: \$1,067 billion in base funding; \$7.1 billion of disaster aid; \$1.5 billion for program integrity; and \$700 million in emergency funding. The package also contains emergency Global War on Terror (GWOT) Overseas Contingency Operations (OCO) funding of \$73.7 billion to combat the emerging real-world threat brought by the Islamic State of Iraq and the Levant (ISIL) and other U.S. enemies, to conduct successful military operations, and to maintain a well-equipped and prepared military force. In addition to the 12 Appropriations bills, the package also includes other legislative language, including reforms to the Visa Waiver program, and a lifting of the ban on U.S. oil exports. Relevant infrastructure subject highlights are as follows:

Clean Water and Safe Drinking Water SRF's -

The Clean Water State Revolving Fund is funded at \$1.394 billion and the Drinking Water State Revolving Fund is funded at \$863 million, restoring cuts proposed in the House and Senate Committee marks. The bill increases the total of these investments by \$482 million more than the House Committee mark and \$434 million more than the Senate Committee marks.

Corps of Engineers -

The bill provides \$5.989 billion, \$1.257 billion more than the budget request, for the Corps of Engineers. It is also about \$350 million more than the House Committee mark and \$489 million more than the Senate Committee mark. Every one dollar spent on Army Corps of Engineer projects nets \$16 in economic benefits. The bill provides \$121 million for water resources studies, \$24 million more than the Administration's request. The bill allows 10 new study starts pertaining to rivers and harbors, flood and storm damage reduction, shore protection and aquatic

ecosystem restoration. The bill provides \$1.862 billion for water resources projects that provide for improvements to navigation, flood risk management and for ecosystem restoration. This amount is \$223 million more than the fiscal year 2015 enacted amount and \$690 million more than the request. The bill allows six new construction starts. The bill provides \$345 million for the construction, operation and maintenance of navigation, flood control and ecosystem restoration projects along the Mississippi River and its tributaries from Cairo, Illinois to the mouth of the Mississippi River. This amount is \$43 million more than the fiscal year 2015 enacted amount and \$120 million more than the fiscal year 2016 budget request. The bill provides \$3.137 billion for operation and maintenance of water resources projects such as Baltimore Harbor, Mobile Harbor and numerous other ports and flood control projects. That is \$228 million more than the fiscal year 2015 enacted amount and \$427 million more than the fiscal year 2016 request. The bill provides \$1.254 billion for eligible activities that are reimbursed by the Harbor Maintenance Trust Fund.

#### Department of Interior -

The bill provides \$1.275 billion for the Department of Interior, which is \$135 million more than the fiscal year 2015 enacted amount and \$169 million more than the budget request. It is also approximately \$168 million more than the House bill and \$132 million more than the Senate Committee mark. This amount includes \$10 million for the Central Utah Project and \$1.265 billion for the Bureau of Reclamation. \$1.119 billion is provided for water and related resources to address water storage and conveyance, power and environmental compliance, and restoration activities in the West. Within this amount, the bill provides \$100 million for the Bureau of Reclamation to address the exceptional drought conditions that are impacting many parts of the western U.S.; \$20 million for WaterSmart grants; 23.36 million for Title 16; and, \$37 million for CALFED.

#### Transportation -

The bill provides \$57.6 billion in funding – an increase of \$3.8 billion compared to the fiscal year 2015 enacted level – and \$114 billion in total budgetary resources. This level reflects the increased domestic discretionary funding provided by the Bipartisan Budget Act of 2015, which was enacted on November 2, and the surface transportation funding levels provided in the recently passed Fixing America’s Surface Transportation (FAST) Act. However, when accounting for changes in various offsets and collections, the bill represents an actual, programmatic increase of only \$2.1 billion over last year. The bill includes \$18.7 billion in discretionary appropriations for the Department of Transportation (DOT) – \$847 million above the 2015 enacted level and \$5.4 billion below the President’s request. The bill also provides DOT with \$56.4 billion in “obligation limitation” funding for surface transportation and safety programs. Within this total, the legislation provides \$500 million for the TIGER program.

- Highways – The bill provides the full amount authorized by the recently enacted FAST legislation – \$42.4 billion. This is an increase of \$2.1 billion over the 2015 enacted level.
- Air – Included in the legislation is \$16.3 billion for the Federal Aviation Administration (FAA), \$564 million above the 2015 enacted level. The bill rejects the Administration’s proposal for new passenger facility fees. The bill funds FAA’s Next Generation air transportation systems (NextGen) at \$2.9 billion – an increase of \$255 million above the 2015 enacted level.
- Rail – The Federal Railroad Administration (FRA) is funded at \$1.7 billion, an increase of \$52 million above the 2015 enacted level. Within this amount, Amtrak grant funding is

maintained at \$1.4 billion, and \$50 million is provided for positive train control technologies and other rail safety grants. No funding is provided for high-speed rail.

- **Transit** – The bill contains \$11.8 billion for the Federal Transit Administration (FTA) – an increase of \$870 million over the 2015 enacted level – meeting the level authorized by the recently enacted FAST legislation. The legislation allows \$9.3 billion in state and local transit grant funding from the Mass Transit Account of the Highway Trust Fund, to help local communities build, maintain, and ensure the safety of their mass transit systems. The legislation also provides a total of \$2.2 billion for Capital Investment Grants (“New Starts”), full funding for state and local “Small Starts” grants, and funding for all current “Full Funding Grant Agreement” projects within FTA.
- **Safety** – The legislation contains funding for the various transportation safety programs and agencies within DOT. This includes \$869 million in both mandatory and discretionary funding for the National Highway Traffic Safety Administration (NHTSA), \$580 million for the Federal Motor Carrier Safety Administration, and \$252 million for the Pipeline and Hazardous Materials Safety Administration.
- **Maritime** – The legislation contains \$210 million for the Maritime Security Program, an increase of \$24 million over the 2015 enacted level.

## **Tax Extenders**

### TITLE I – EXTENDERS

#### Subtitle A –Permanent Extensions

#### PART 1 – Tax Relief for Families and Individuals

Section 101. Enhanced child tax credit made permanent. The child tax credit (CTC) is a \$1,000 credit. To the extent the CTC exceeds the taxpayer’s tax liability, the taxpayer is eligible for a refundable credit (the additional child tax credit) equal to 15 percent of earned income in excess of a threshold dollar amount (the “earned income” formula). Until 2009, the threshold dollar amount was \$10,000 indexed for inflation from 2001 (which would be roughly \$14,000 in 2015). Since 2009, however, this threshold amount has been set at an unindexed \$3,000 and is scheduled to expire at the end of 2017, returning to the \$10,000 (indexed for inflation) amount. The provision permanently sets the threshold amount at an unindexed \$3,000.

Section 102. Enhanced American opportunity tax credit made permanent. The Hope Scholarship Credit is a credit of \$1,800 (indexed for inflation) for various tuition and related expenses for the first two years of post-secondary education. It phases out for AGI starting at \$48,000 (if single) and \$96,000 (if married filing jointly) – these amounts are also indexed for inflation. The American Opportunity Tax Credit (AOTC) takes those permanent provisions of the Hope Scholarship Credit and increases the credit to \$2,500 for four years of post-secondary education, and increases the beginning of the phase-out amounts to \$80,000 (single) and \$160,000 (married filing jointly) for 2009 to 2017. The provision makes the AOTC permanent.

Section 103. Enhanced earned income tax credit made permanent. Low- and moderate income workers may be eligible for the earned income tax credit (EITC). For 2009 through 2017, the EITC amount has been temporarily increased for those with three (or more) children and the EITC marriage penalty has been reduced by increasing the income phase-out range by \$5,000 (indexed for inflation) for those who are married and filing jointly. The provision makes these provisions permanent.

Section 104. Extension and modification of deduction for certain expenses of elementary and secondary school teachers. The provision permanently extends the above-the-line deduction (capped at \$250) for the eligible expenses of elementary and secondary school teachers. Beginning in 2016, the provision also modifies the deduction to index the \$250 cap to inflation and include professional development expenses.

Section 105. Extension of parity for exclusion from income for employer-provided mass transit and parking benefits. The provision permanently extends the maximum monthly exclusion amount for transit passes and van pool benefits so that these transportation benefits match the exclusion for qualified parking benefits. These fringe benefits are excluded from an employee's wages for payroll tax purposes and from gross income for income tax purposes.

Section 106. Extension of deduction of State and local general sales taxes. The provision permanently extends the option to claim an itemized deduction for State and local general sales taxes in lieu of an itemized deduction for State and local income taxes. The taxpayer may either deduct the actual amount of sales tax paid in the tax year, or alternatively, deduct an amount prescribed by the Internal Revenue Service (IRS).

## PART 2 – Incentives for Charitable Giving

Section 111. Extension and modification of special rule for contributions of capital gain real property made for conservation purposes. The provision permanently extends the charitable deduction for contributions of real property for conservation purposes. The provision also permanently extends the enhanced deduction for certain individual and corporate farmers and ranchers. The provision modifies the deduction beginning in 2016 to permit Alaska Native Corporations to deduct donations of conservation easements up to 100 percent of taxable income.

Section 112. Extension of tax-free distributions from individual retirement plans for charitable purposes. The provision permanently extends the ability of individuals at least 70½ years of age to exclude from gross income qualified charitable distributions from Individual Retirement Accounts (IRAs). The exclusion may not exceed \$100,000 per taxpayer in any tax year.

Section 113. Extension and modification of charitable deduction for contributions of food inventory. The provision permanently extends the enhanced deduction for charitable contributions of inventory of apparently wholesome food for non-corporate business taxpayers. The provision modifies the deduction beginning in 2016 by increasing the limitation on deductible contributions of food inventory from 10 percent to 15 percent of the taxpayer's AGI (15 percent of taxable income (as modified by the provision) in the case of a C corporation) per year. The provision also modifies the deduction to provide special rules for valuing food inventory.

Section 114. Extension of modification of tax treatment of certain payments to controlling exempt organizations. The provision permanently extends the modification of the tax treatment of certain payments by a controlled entity to an exempt organization.

Section 115. Extension of basis adjustment to stock of S corporations making charitable contributions of property. The provision permanently extends the rule providing that a shareholder's basis in the stock of an S corporation is reduced by the shareholder's pro rata share of the adjusted basis of property contributed by the S corporation for charitable purposes.

### PART 3 – Incentives for Growth, Jobs, Investment, and Innovation

Section 121. Extension and modification of research credit. The provision permanently extends the research and development (R&D) tax credit. Additionally, beginning in 2016 eligible small businesses (\$50 million or less in gross receipts) may claim the credit against alternative minimum tax (AMT) liability, and the credit can be utilized by certain small businesses against the employer's payroll tax (i.e., FICA) liability.

Section 122. Extension and modification of employer wage credit for employees who are active duty members of the uniformed services. The provision permanently extends the 20-percent employer wage credit for employees called to active military duty. Beginning in 2016, the provision modifies the credit to apply to employers of any size, rather than employers with 50 or fewer employees, as under current law.

Section 123. Extension of 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements. The provision permanently extends the 15-year recovery period for qualified leasehold improvements, qualified restaurant property, and qualified retail improvement property.

Section 124. Extension and modification of increased expensing limitations and treatment of certain real property as section 179 property. The provision permanently extends the small business expensing limitation and phase-out amounts in effect from 2010 to 2014 (\$500,000 and \$2 million, respectively). These amounts currently are \$25,000 and \$200,000, respectively. The special rules that allow expensing for computer software and qualified real property (qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property) also are permanently extended. The provision modifies the expensing limitation by indexing both the \$500,000 and \$2 million limits for inflation beginning in 2016 and by treating air conditioning and heating units placed in service in tax years beginning after 2015 as eligible for expensing. The provision further modifies the expensing limitation with respect to qualified real property by eliminating the \$250,000 cap beginning in 2016.

Section 125. Extension of treatment of certain dividends of regulated investment companies. The provision permanently extends provisions allowing for the pass-through character of interest-related dividends and short-term capital gains dividends from regulated investment companies (RICs) to foreign investors.

Section 126. Extension of exclusion of 100 percent of gain on certain small business stock. The provision extends the temporary exclusion of 100 percent of the gain on certain small business stock for non-corporate taxpayers to stock acquired and held for more than five years. This provision also permanently extends the rule that eliminates such gain as an AMT preference item.

Section 127. Extension of reduction in S-corporation recognition period for built-in gains tax. The provision permanently extends the rule reducing to five years (rather than ten years) the period for which an S corporation must hold its assets following conversion from a C corporation to avoid the tax on built-in gains.

Section 128. Extension of subpart F exception for active financing income. The provision permanently extends the exception from subpart F income for active financing income.

## PART 4 – Incentives for Real Estate Investment

Section 131. Extension of temporary minimum low-income housing tax credit rates for non-Federally subsidized buildings. The provision permanently extends application of the 9-percent minimum credit rate for the low-income housing tax credit for non-Federally subsidized new buildings.

Section 132. Extension of military housing allowance exclusion for determining whether a tenant in certain counties is low-income. The provision permanently extends the exclusion of military basic housing allowances from the calculation of income for determining eligibility as a low-income tenant for purposes of low-income housing tax credit buildings.

Section 133. Extension of RIC qualified investment entity treatment under FIRPTA. The provision permanently extends the treatment of RICs as qualified investment entities and, therefore, not subject to withholding under the Foreign Investment in Real Property Tax Act (FIRPTA).

### Subtitle B – Extensions through 2019

Section 141. Extension of new markets tax credit. The provision authorizes the allocation of \$3.5 billion of new markets tax credits for each year from 2015 through 2019.

Section 142. Extension and modification of work opportunity tax credit. The provision extends through 2019 the work opportunity tax credit. The provision also modifies the credit beginning in 2016 to apply to employers who hire qualified long-term unemployed individuals (i.e., those who have been unemployed for 27 weeks or more) and increases the credit with respect to such long-term unemployed individuals to 40 percent of the first \$6,000 of wages.

Section 143. Extension and modification of bonus depreciation. The provision extends bonus depreciation for property acquired and placed in service during 2015 through 2019 (with an additional year for certain property with a longer production period). The bonus depreciation percentage is 50 percent for property placed in service during 2015, 2016 and 2017 and phases down, with 40 percent in 2018, and 30 percent in 2019. The provision continues to allow taxpayers to elect to accelerate the use of AMT credits in lieu of bonus depreciation under special rules for property placed in service during 2015. The provision modifies the AMT rules beginning in 2016 by increasing the amount of unused AMT credits that may be claimed in lieu of bonus depreciation. The provision also modifies bonus depreciation to include qualified improvement property and to permit certain trees, vines, and plants bearing fruit or nuts to be eligible for bonus depreciation when planted or grafted, rather than when placed in service.

Section 144. Extension of look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules. The provision extends through 2019 the look-through treatment for payments of dividends, interest, rents, and royalties between related controlled foreign corporations.

### Subtitle C – Extensions through 2016

## PART 1 – Tax Relief for Families and Individuals

Section 151. Extension and modification of exclusion from gross income of discharge of qualified principal residence indebtedness. The provision extends through 2016 the exclusion from gross income of a discharge of qualified principal residence indebtedness. The provision also modifies the exclusion to apply to qualified principal residence indebtedness that is

discharged in 2017, if the discharge is pursuant to a written agreement entered into in 2016.

Section 152. Extension of mortgage insurance premiums treated as qualified residence interest. The provision extends through 2016 the treatment of qualified mortgage insurance premiums as interest for purposes of the mortgage interest deduction. This deduction phases out ratably for a taxpayer with AGI of \$100,000 to \$110,000.

Section 153. Extension of above-the-line deduction for qualified tuition and related expenses. The provision extends through 2016 the above-the-line deduction for qualified tuition and related expenses for higher education. The deduction is capped at \$4,000 for an individual whose AGI does not exceed \$65,000 (\$130,000 for joint filers) or \$2,000 for an individual whose AGI does not exceed \$80,000 (\$160,000 for joint filers).

## PART 2 – Incentives for Growth, Jobs, Investment, and Innovation

Section 161. Extension of Indian employment tax credit. The provision extends through 2016 the Indian employment tax credit. The Indian employment credit provides a credit on the first \$20,000 of qualified wages paid to each qualified employee who works on an Indian reservation.

Section 162. Extension and modification of railroad track maintenance credit. The provision extends through 2016 the railroad track maintenance tax credit. The provision modifies the credit to apply to expenditures for maintaining railroad track owned or leased as of January 1, 2015 (rather than January 1, 2005, as under current law).

Section 163. Extension of mine rescue team training credit. The provision extends through 2016 the mine rescue team training tax credit. Employers may take a credit equal to the lesser of 20 percent of the training program costs incurred, or \$10,000.

Section 164. Extension of qualified zone academy bonds. The provision authorizes the issuance of \$400 million of qualified zone academy bonds during 2016. The bond proceeds are used for school renovations, equipment, teacher training, and course materials at a qualified zone academy, provided that private entities have promised to donate certain property and services to the academy with a value equal to at least 10 percent of the bond proceeds.

Section 165. Extension of classification of certain race horses as 3-year property. The provision extends the 3-year recovery period for race horses to property placed in service during 2015 or 2016.

Section 166. Extension of 7-year recovery period for motorsports entertainment complexes. The provision extends the 7-year recovery period for motorsport entertainment complexes to property placed in service during 2015 or 2016.

Section 167. Extension and modification of accelerated depreciation for business property on an Indian reservation. The provision extends accelerated depreciation for qualified Indian reservation property to property placed in service during 2015 or 2016. The provision also modifies the deduction to permit taxpayers to elect out of the accelerated depreciation rules.

Section 168. Extension of election to expense mine safety equipment. The provision extends the election to expense mine safety equipment to property placed in service during 2015 or 2016.

Section 169. Extension of special expensing rules for certain film and television

productions. The provision extends through 2016 the special expensing provision for qualified film, television, and live theater productions. In general, only the first \$15 million of costs may be expensed.

Section 170. Extension of deduction allowable with respect to income attributable to domestic production activities in Puerto Rico. The provision extends through 2016 the eligibility of domestic gross receipts from Puerto Rico for the domestic production deduction.

Section 171. Extension and modification of empowerment zone tax incentives. The provision extends through 2016 the tax benefits for certain businesses and employers operating in empowerment zones. Empowerment zones are economically distressed areas, and the tax benefits available include tax-exempt bonds, employment credits, increased expensing, and gain exclusion from the sale of certain small-business stock. The provision modifies the incentive beginning in 2016 by allowing employees to meet the enterprise zone facility bond employment requirement if they are residents of the empowerment zone, an enterprise community, or a qualified low-income community within an applicable nominating jurisdiction.

Section 172. Extension of temporary increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands. The provision extends the \$13.25 per proof gallon excise tax cover-over amount paid to the treasuries of Puerto Rico and the U.S. Virgin Islands to rum imported into the United States during 2015 or 2016. Absent the extension, the cover-over amount would be \$10.50 per proof gallon.

Section 173. Extension of American Samoa economic development credit. The provision extends through 2016 the existing credit for taxpayers currently operating in American Samoa.

Section 174. Moratorium on medical device excise tax. The provision provides for a two-year moratorium on the 2.3-percent excise tax imposed on the sale of medical devices. The tax will not apply to sales during calendar years 2016 and 2017.

### PART 3 – Incentives for Energy Production and Conservation

Section 181. Extension and modification of credit for nonbusiness energy property. The provision extends through 2016 the credit for purchases of nonbusiness energy property. The provision allows a credit of 10 percent of the amount paid or incurred by the taxpayer for qualified energy improvements, up to \$500.

Section 182. Extension of credit for alternative fuel vehicle refueling property. The provision extends through 2016 the credit for the installation of non-hydrogen alternative fuel vehicle refueling property. (Under current law, hydrogen-related property is eligible for the credit through 2016.) Taxpayers are allowed a credit of up to 30 percent of the cost of the installation of the qualified alternative fuel vehicle refueling property.

Section 183. Extension of credit for 2-wheeled plug-in electric vehicles. The provision extends through 2016 the 10-percent credit for plug-in electric motorcycles and 2-wheeled vehicles (capped at \$2,500).

Section 184. Extension of second generation biofuel producer credit. The provision extends through 2016 the credit for cellulosic biofuels producers.

Section 185. Extension of biodiesel and renewable diesel incentives. The provision extends through 2016 the existing \$1.00 per gallon tax credit for biodiesel and biodiesel mixtures, and the small agri-biodiesel producer credit of 10 cents per gallon. The provision also extends

through 2016 the \$1.00 per gallon production tax credit for diesel fuel created from biomass. The provision extends through 2016 the fuel excise tax credit for biodiesel mixtures.

Section 186. Extension and modification of production credit for Indian coal facilities. The provision extends through 2016 the \$2 per ton production tax credit for coal produced on land owned by an Indian tribe, if the facility was placed in service before 2009. A coal facility is allowed only nine years of credit. The provision modifies the credit beginning in 2016 by removing the placed-in-service-date limitation, removing the nine-year limitation, and allowing the credit to be claimed against the AMT.

Section 187. Extension and modification of credits with respect to facilities producing energy from certain renewable resources. The provision extends the production tax credit for certain renewable sources of electricity to facilities for which construction has commenced by the end of 2016.

Section 188. Extension of credit for energy-efficient new homes. The provision extends through 2016 the tax credit for manufacturers of energy-efficient residential homes. An eligible contractor may claim a tax credit of \$1,000 or \$2,000 for the construction or manufacture of a new energy efficient home that meets qualifying criteria.

Section 189. Extension of special allowance for second generation biofuel plant property. The provision extends through 2016 the 50-percent bonus depreciation for cellulosic biofuel facilities.

Section 190. Extension of energy efficient commercial buildings deduction. The provision extends through 2016 the above-the-line deduction for energy efficiency improvements to lighting, heating, cooling, ventilation, and hot water systems of commercial buildings.

Section 191. Extension of special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities. The provision extends through 2016 a rule that permits taxpayers to elect to recognize gain from qualifying electric transmission transactions ratably over an eight-year period beginning in the year of sale (rather than entirely in the year of sale) if the amount realized from such sale is used to purchase exempt utility property within the applicable period.

Section 192. Extension of excise tax credits relating to alternative fuels. The provision extends through 2016 the 50 cents per gallon alternative fuel tax credit and alternative fuel mixture tax credit.

Section 193. Extension of credit for new qualified fuel cell motor vehicles. The provision extends through 2016 the credit for purchases of new qualified fuel cell motor vehicles. The provision allows a credit of between \$4,000 and \$40,000 depending on the weight of the vehicle for the purchase of such vehicles.

## TITLE II – PROGRAM INTEGRITY

Section 201. Modification of filing dates of returns and statements relating to employee wage information and nonemployee compensation to improve compliance. The provision requires forms W-2, W-3, and returns or statements to report non-employee compensation (e.g., Form 1099-MISC), to be filed on or before January 31 of the year following the calendar year to which such returns relate. The provision also provides additional time for the IRS to review refund claims based on the earned income tax credit and the refundable portion of the child tax

credit in order to reduce fraud and improper payments. The provision is effective for returns and statements relating to calendar years after the date of enactment (e.g., filed in 2017).

**Section 202. Safe harbor for de minimis errors on information returns and payee statements.** The provision establishes a safe harbor from penalties for the failure to file correct information returns and for failure to furnish correct payee statements by providing that if the error is \$100 or less (\$25 or less in the case of errors involving tax withholding), the issuer of the information return is not required to file a corrected return and no penalty is imposed. A recipient of such a return (e.g., an employee who receives a Form W-2) can elect to have a corrected return issued to them and filed with the IRS. The provision is effective for returns and statements required to be filed after December 31, 2016.

**Section 203. Requirements for the issuance of ITINs.** The provision provides that the IRS may issue taxpayer identification numbers (ITIN) if the applicant provides the documentation required by the IRS either (a) in person to an IRS employee or to a community-based certified acceptance agent (as authorized by the IRS), or (b) by mail. The provision requires that individuals who were issued ITINs before 2013 are required to renew their ITINs on a staggered schedule between 2017 and 2020. The provision also provides that an ITIN will expire if an individual fails to file a tax return for three consecutive years. The provision also directs the Treasury Department and IRS to study the current procedures for issuing ITINs with a goal of adopting a system by 2020 that would require all applications to be filed in person. The provision is effective for requests for ITINs made after the date of enactment.

**Section 204. Prevention of retroactive claims of earned income credit after issuance of social security number.** The provision prohibits an individual from retroactively claiming the earned income tax credit by amending a return (or filing an original return if he failed to file) for any prior year in which he did not have a valid social security number. The provision applies to returns, and any amendment or supplement to a return, filed after the date of enactment.

**Section 205. Prevention of retroactive claims of child tax credit.** The provision prohibits an individual from retroactively claiming the child tax credit by amending a return (or filing an original return if he failed to file) for any prior year in which the individual or a qualifying child for whom the credit is claimed did not have an ITIN. The provision applies to returns, and any amendment or supplement to a return, filed after the date of enactment.

**Section 206. Prevention of retroactive claims of American opportunity tax credit.** The provision prohibits an individual from retroactively claiming the American Opportunity Tax Credit by amending a return (or filing an original return if he failed to file) for any prior year in which the individual or a student for whom the credit is claimed did not have an ITIN. The provision applies to returns, and any amendment or supplement to a return, filed after the date of enactment.

**Section 207. Procedures to reduce improper claims.** The provision expands the paid-preparer due diligence requirements with respect to the earned income tax credit, and the associated \$500 penalty for failures to comply, to cover returns claiming the child tax credit and American Opportunity Tax Credit. The provision also requires the IRS to study the effectiveness of the due diligence requirements and whether such requirements should apply to taxpayer who file online or by filing a paper form. The provision applies to tax years beginning after December 31, 2015.

**Section 208. Restrictions on taxpayers who improperly claimed credits in prior year.** The provision expands the rules under current law, which bar individuals from claiming the earned

income tax credit for ten year if they are convicted of fraud and for two years if they are found to have recklessly or intentionally disregarded the rules, to apply to the child tax credit and American Opportunity Tax Credit. The provision adds math error authority, which permits the IRS to disallow improper credits without a formal audit if the taxpayer claims the credit in a period during which he is barred from doing so due to fraud or reckless or intentional disregard. The provision applies to tax years beginning after December 31, 2015.

Section 209. Treatment of credits for purposes of certain penalties. The provision applies the 20-percent penalty for erroneous claims under current law to the refundable portion of credits (reversing the Tax Court decision in *Rand v. Commissioner*). The provision also eliminates the exception from the penalty for erroneous refunds and credits that currently applies to the earned income tax credit, and the provision provides reasonable-cause relief from the penalty. The provision generally applies to returns filed after December 31, 2015.

Section 210. Increase the penalty applicable to paid tax preparers who engage in willful or reckless conduct. The provision expands the penalty for tax preparers who engage in willful or reckless conduct, which is currently the greater of \$5,000 or 50 percent of the preparer's income with respect to the return, by increasing the 50 percent amount to 75 percent. The provision applies to returns prepared for tax years ending after the date of enactment.

Section 211. Employer identification number required for American opportunity tax credit. The provision requires a taxpayer claiming the American opportunity tax credit to report the employer identification number (EIN) of the educational institution to which the taxpayer makes qualified payments under the credit. The provision applies to tax years beginning after December 31, 2015, and expenses paid after such date for education furnished in academic periods beginning after such date.

Section 212. Higher education information reporting only to include qualified tuition and related expenses actually paid. The provision reforms the reporting requirements for Form 1098-T so that educational institutions are required to report only qualified tuition and related expenses actually paid, rather than choosing between amounts paid and amounts billed, as under current law. The provision applies to expenses paid after December 31, 2015 for education furnished in academic periods beginning after such date.

### TITLE III – MISCELLANEOUS PROVISIONS

#### Subtitle A – Family Tax Relief

Section 301. Exclusion for amounts received under the Work Colleges Program. The provision exempts from gross income any payments from certain work-learning-service programs that are operated by a work college as defined in section 448(e) of the Higher Education Act of 1965. The provision is effective for amounts received in tax years beginning after date of enactment.

Section 302. Improvements to section 529 accounts. The provision expands the definition of qualified higher education expenses for which tax-preferred distributions from 529 accounts are eligible to include computer equipment and technology. The provision modifies 529-account rules to treat any distribution from a 529 account as coming only from that account, even if the individual making the distribution operates more than one account. The provision treats a refund of tuition paid with amounts distributed from a 529 account as a qualified expense if such amounts are re-contributed to a 529 account within 60 days. The provision is effective for distributions made or refunds after 2014, or in the case of refunds after 2014 and before the date

of enactment, for refunds re-contributed not later than 60 days after date of enactment.

Section 303. Elimination of residency requirement for qualified ABLE programs. The provision allows ABLE accounts (tax-preferred savings accounts for disabled individuals), which currently may be located only in the State of residence of the beneficiary, to be established in any State. This will allow individuals setting up ABLE accounts to choose the State program that best fits their needs, such as with regard to investment options, fees, and account limits. The provision is effective for tax years beginning after December 31, 2014.

Section 304. Exclusion for wrongfully incarcerated individuals. The provision allows an individual to exclude from gross income civil damages, restitution, or other monetary awards that the taxpayer received as compensation for a wrongful incarceration. A “wrongfully incarcerated individual” is either: (1) an individual who was convicted of a criminal offense under Federal or state law, who served all or part of a sentence of imprisonment relating to such offense, and who was pardoned, granted clemency, or granted amnesty because of actual innocence of the offense; or (2) an individual for whom the conviction for such offense was reversed or vacated and for whom the indictment, information, or other accusatory instrument for such offense was dismissed or who was found not guilty at a new trial after the conviction was reversed or vacated. The provision applies to tax years beginning before, on, or after the date of enactment.

Section 305. Clarification of special rule for certain governmental plans. The provision extends the special rule under current law for certain benefits paid by accident or health plans of a public retirement system to such benefits paid by plans established by or on behalf of a State or political subdivision. To qualify, such plans must have been authorized by a State legislature or received a favorable ruling from the IRS that the trust’s income is not includible in gross income under either section 115 or section 501(c)(9) of the tax code, and on or before January 1, 2008, have provided for payment of medical benefits to a deceased participant’s beneficiary. The provision is effective for payments after the date of enactment.

Section 306. Rollovers permitted from other retirement plans into simple retirement accounts. The provision allows a taxpayer to roll over amounts from an employer-sponsored retirement plan (e.g., 401(k) plan) to a SIMPLE IRA, provided the plan has existed for at least two years. The provision applies to contributions made after the date of enactment.

Section 307. Technical amendment relating to rollover of certain airline payment amounts. The provision clarifies the effective dates of Public Law 113-243 to allow certain airline employees to contribute amounts received in certain bankruptcies to an IRA without being subject to the annual contribution limit. The provision is effective as if included in Public Law 113-243.

Section 308. Treatment of early retirement distributions for nuclear materials couriers, United States Capitol Police, Supreme Court Police, and diplomatic security special agents. The provision extends the relief under current law, which provides an exception to the 10-percent penalty on withdrawals from retirement accounts before age 50 for public safety officer, to include nuclear materials couriers, United States Capitol Police, Supreme Court Police, and diplomatic security special agents. The provision is effective for distributions after December 31, 2015.

Section 309. Prevention of extension of tax collection period for members of the Armed Forces who are hospitalized as a result of combat zone injuries. The provision requires that the collection period for members of the Armed Forces hospitalized for combat zone injuries

may not be extended by reason of any period of continuous hospitalization or the 180 days after hospitalization. Accordingly, the collection period expires 10 years after assessment, plus the actual time spent in a combat zone. The provision applies to taxes assessed before, on, or after the date of the enactment.

#### Subtitle B— Real Estate Investment Trusts

Section 311. Restriction on tax-free spinoffs involving REITs. The provision provides that a spin-off involving a REIT will qualify as tax-free only if immediately after the distribution both the distributing and controlled corporation are REITs. In addition, neither a distributing nor a controlled corporation would be permitted to elect to be treated as a REIT for ten years following a tax-free spin-off transaction. The provision applies to distributions on or after December 7, 2015, but shall not apply to any distribution pursuant to a transaction described in a ruling request initially submitted to the IRS on or before such date, which request has not been withdrawn and with respect to which a ruling has not been issued or denied in its entirety as of such date.

Section 312. Reduction in percentage limitation on assets of REIT which may be taxable REIT subsidiaries. The provision modifies the rules with respect to a REIT's ownership of a taxable REIT subsidiary (TRS), which is taxed as a corporation. Under the provision, the securities of one or more TRSs held by a REIT may not represent more than 20 percent (rather than 25 percent under current law) of the value of the REIT's assets. The provision is effective for tax years beginning after 2017.

Section 313. Prohibited transaction safe harbors. The provision provides for an alternative three-year averaging safe harbor for determining the percentage of assets that a REIT may sell annually. In addition, the provision clarifies that the safe harbor is applied independent of whether the real estate asset is inventory property. The provision generally is effective for tax years beginning after the date of enactment. However, the clarification of the safe harbor takes effect as if included in the Housing Assistance Tax Act of 2008.

Section 314. Repeal of preferential dividend rule for publicly offered REITs. The provision repeals the preferential dividend rule for publicly offered REITs. The provision is effective for distributions in tax years beginning after 2014.

Section 315. Authority for alternative remedies to address certain REIT distribution failures. The provision provides the IRS with authority to provide an appropriate remedy for a preferential dividend distribution by non-publicly offered REITs in lieu of treating the dividend as not qualifying for the REIT dividend deduction and not counting toward satisfying the requirement that REITs distribute 90 percent of their income every year. Such authority applies if the preferential distribution is inadvertent or due to reasonable cause and not due to willful neglect. The provision applies to distributions in tax years beginning after 2015.

Section 316. Limitations on designation of dividends by REITs. The provision provides that the aggregate amount of dividends that could be designated by a REIT as qualified dividends or capital gain dividends will not exceed the dividends actually paid by the REIT. The provision is effective for distributions in tax years beginning after 2014.

Section 317. Debt instruments of publicly offered REITs and mortgages treated as real estate assets. The provision provides that debt instruments issued by publicly offered REITs, as well as interests in mortgages on interests in real property, are treated as real estate assets for purposes of the 75-percent asset test. Income from debt instruments issued by publicly offered

REITs are treated as qualified income for purposes of the 95-percent income test, but not the 75-percent income test (unless they already are treated as qualified income under current law). In addition, not more than 25 percent of the value of a REIT's assets is permitted to consist of such debt instruments. The provision is effective for tax years beginning after 2015.

Section 318. Asset and income test clarification regarding ancillary personal property. The provision provides that certain ancillary personal property that is leased with real property is treated as real property for purposes of the 75-percent asset test. In addition, an obligation secured by a mortgage on such property is treated as real property for purposes of the 75-percent income and asset tests, provided the fair market value of the personal property does not exceed 15 percent of the total fair market value of the combined real and personal property. The provision is effective for tax years beginning after 2015.

Section 319. Hedging provisions. The provision expands the treatment of REIT hedges to include income from hedges of previously acquired hedges that a REIT entered to manage risk associated with liabilities or property that have been extinguished or disposed. The provision is effective for tax years beginning after 2015.

Section 320. Modification of REIT earnings and profits calculation to avoid duplicate taxation. The provision provides that current (but not accumulated) REIT earnings and profits for any tax year are not reduced by any amount that is not allowable in computing taxable income for the tax year and was not allowable in computing its taxable income for any prior tax year (e.g., certain amounts resulting from differences in the applicable depreciation rules). The provision applies only for purposes of determining whether REIT shareholders are taxed as receiving a REIT dividend or as receiving a return of capital (or capital gain if a distribution exceeds a shareholder's stock basis). The provision is effective for tax years beginning after 2015.

Section 321. Treatment of certain services provided by taxable REIT subsidiaries. The provision provides that a taxable REIT subsidiary (TRS) is permitted to provide certain services to the REIT, such as marketing, that typically are done by a third party. In addition, a TRS is permitted to develop and market REIT real property without subjecting the REIT to the 100-percent prohibited transactions tax. The provision also expands the 100-percent excise tax on non-arm's length transactions to include services provided by the TRS to its parent REIT. The provision is effective for tax years beginning after 2015.

Section 322. Exception from FIRPTA for certain stock of REITs. The provision increases from 5 percent to 10 percent the maximum stock ownership a shareholder may have held in a publicly traded corporation to avoid having that stock treated as a U.S. real property interest on disposition. In addition, the provision allows certain publicly traded entities to own and dispose of any amount of stock treated as a U.S. real property interest, including stock in a REIT, without triggering FIRPTA withholding. However, an investor in such an entity that holds more than 10 percent of such stock is still subject to withholding. The provision applies to dispositions and distributions on or after the date of enactment.

Section 323. Exception for interests held by foreign retirement or pension funds. The provision exempts any U.S. real property interest held by a foreign pension fund from FIRPTA withholding. The provision applies to dispositions and distributions after the date of enactment.

Section 324. Increase in rate of withholding of tax on dispositions of United States real property interests. The provision provides that the rate of withholding on dispositions of United States real property interests is increased from 10 percent to 15 percent. The increased

rate of withholding, however, does not apply to the sale of a personal residence where the amount realized is \$1 million or less. The provision is effective for dispositions occurring 60 days after the date of enactment.

Section 325. Interests in RICs and REITs not excluded from definition of United States real property interests. The provision provides that the “cleansing rule” (which applies to corporations that either have no real estate or have paid tax on their real-estate transactions) applies only to interests in a corporation that is not a qualified investment entity. In addition, the proposal provides that the cleansing rule applies to stock of a corporation only if neither the corporation nor any predecessor of such corporation was a regulated investment company (RIC) or REIT at any time during the shorter of (a) the period after June 18, 1980 during which the taxpayer held such stock, or (b) the five-year period ending on the date of the disposition of the stock. The provision applies to dispositions on or after the date of enactment.

Section 326. Dividends derived from RICs and REITs ineligible for deduction for United States source portion of dividends from certain foreign corporations. The provision provides that for purposes of determining whether dividends from a foreign corporation (attributable to dividends from an 80-percent owned domestic corporation) are eligible for a dividend received deduction, dividends from RICs and REITs are not treated as dividends from domestic corporations, even if the RIC or REIT owns shares in a foreign corporation. The provision applies to dividends received from RIC and REITs on or after the date of enactment of this Act.

#### Subtitle C – Additional Provisions

Section 331. Deductibility of charitable contributions to agricultural research organizations. The provision provides that charitable contributions to an agricultural research organization are subject to the higher individual limits (generally up to 50 percent of the taxpayer’s contribution base) if the organization commits to use the contribution for agricultural research before January 1 of the fifth calendar year that begins after the date of the contribution. In addition, agricultural research organizations are treated as public charities *per se*, without regard to their sources of financial support. The provision is effective for contributions made on or after the date of enactment.

Section 332. Removal of bond requirements and extending filing periods for certain taxpayers with limited excise tax liability. The provision allows producers of alcohol that reasonably expect to be liable for not more than \$50,000 per year in alcohol excise taxes to pay such taxes on a quarterly basis rather than twice per month (and those reasonably expecting to be liable for not more than \$1,000 per year to pay such taxes annually, rather than on a quarterly basis). The provision also exempts such producers from bonding requirements with the IRS. The provision is effective 90 days after the date of enactment.

Section 333. Modifications to alternative tax for certain small insurance companies. The provision increases the maximum amount of annual premiums that certain small property and casualty insurance companies can receive and still elect to be exempt from tax on their underwriting income, and instead be taxed only on taxable investment income. The provision increases the maximum amount from \$1.2 million to \$2.2 million for calendar years beginning after 2015, and indexes it to inflation thereafter. To ensure that this special rule is not abused, the provision also requires that no more than 20 percent of net written premiums (or if greater, direct written premiums) for a tax year is attributable to any one policyholder. Alternatively, a company would be eligible for the exception if each owner of the insured business or assets has no greater an interest in the insurer than he or she has in the business or assets, and each owner

holds no smaller an interest in the business than his or her interest in the insurer. The provision is effective for tax years beginning after 2016.

Section 334. Treatment of timber gains. The provision provides that C corporation timber gains are subject to a tax rate of 23.8 percent. The provision is effective for tax year 2016.

Section 335. Modification of definition of hard cider. The provision defines hard cider for purposes of alcohol excise taxes as a wine with an alcohol content of between 0.5 percent and 8.5 percent alcohol by volume, with a carbonation level that does not exceed 6.4 grams per liter, which is derived primarily from apples, apple juice concentrate, pears, or pear juice concentrate, in combination with water. The provision is effective for articles removed from the distillery or bonding facility during calendar years beginning after 2015.

Section 336. Church Plan Clarification. The provision prevents the IRS from aggregating certain church plans together for purposes of the non-discrimination rules, which prevent highly compensated participants from receiving disproportionate benefits under the plan, and it provides flexibility for church plans to decide which other church plans with which they associate. The provision also prevents certain grandfathered church defined-benefit plans from having to meet certain requirements relating to maximum benefit accruals, and it allows church plans to offer auto-enroll accounts similar to 401(k)s. Additionally, the provision make it easier for church plans to engage in certain reorganizations and allows church plans to invest in collective trusts. The provision generally is effective on or after the date of enactment.

#### Subtitle D – Revenue Provisions

Section 341. Updated ASHRAE standards for energy efficient commercial buildings deduction. The provision modifies the deduction for energy efficient commercial buildings by updating the energy efficiency standards to reflect new standards of the American Society of Heating, Refrigerating, and Air Conditioning Engineers beginning in 2016.

Section 342. Excise tax credit equivalency for liquefied petroleum gas and liquefied natural gas. The provision converts the measurement of the alternative fuel excise tax credit for liquefied natural gas and liquefied petroleum gas from 50 cents per gallon to 50 cents per energy equivalent of a gallon of diesel fuel, which is approximately 29 cents per gallon for liquefied natural gas and approximately 36 cents per gallon for liquefied petroleum gas. The provision is effective for fuel sold or used after 2015.

Section 343. Exclusion from gross income of certain clean coal power grants to noncorporate taxpayers. The provision excludes from gross income certain clean power grants received under the Energy Policy Act of 2005 by an eligible taxpayer that is not a corporation. The provision requires an eligible taxpayer to reduce the basis of tangible depreciable property related to such grants by the amount excluded. The provision requires eligible taxpayers to make payments to the Treasury equal to 1.18 percent of amounts excluded under the provision. The provision is effective for grants received in tax years after 2011.

Section 344. Clarification of valuation rule for early termination of certain charitable remainder unitrusts. The provision clarifies the valuation method for the early termination of certain charitable remainder unitrusts. The provision is effective for the termination of trusts after the date of enactment.

Section 345. Prevention of transfer of certain losses from tax indifferent parties. The provision modifies the related-party loss rules, which generally disallow a deduction for a loss on

the sale or exchange of property to certain related parties or controlled partnerships, to prevent losses from being shifted from a tax-indifferent party (e.g., a foreign person not subject to U.S. tax) to another party in whose hands any gain or loss with respect to the property would be subject to U.S. tax. The provision generally is effective for sales and exchanges of property acquired after 2015.

Section 346. Treatment of certain persons as employers with respect to motion picture projects. The provision allows motion picture payroll services companies to be treated as the employer of their film and television production workers for Federal employment tax purposes. The provision is effective for remuneration paid after 2015.

## TITLE IV – TAX ADMINISTRATION

### Subtitle A – Internal Revenue Service Reforms

Section 401. Duty to ensure that IRS employees are familiar with and act in accord with certain taxpayer rights. The provision amends the tax code to require the IRS Commissioner to ensure that IRS employees are familiar with and act in accordance with the taxpayer bill of rights, which includes the right to:

1. be informed;
2. quality service;
3. pay no more than the correct amount of tax;
4. challenge the position of the IRS and be heard;
5. appeal a decision of the IRS in an independent forum;
6. finality;
7. privacy;
8. confidentiality;
9. retain representation;
10. a fair and just tax system.

The provision is effective on the date of enactment.

Section 402. IRS employees prohibited from using personal email accounts for official business. The provision prohibits employees of the IRS from using a personal email account to conduct any official business, codifying an already established agency policy barring use of personal email accounts by IRS employees for official governmental business. The provision is effective on the date of enactment.

Section 403. Release of information regarding the status of certain investigations. The provision allows taxpayers who have been victimized by the IRS, for example, through the unauthorized disclosure of private tax information, to find out basic facts, such as whether the case is being investigated or whether the case has been referred to the Justice Department for prosecution. The provision applies to disclosures made on or after the date of enactment.

Section 404. Administrative appeal relating to adverse determinations of tax-exempt status of certain organizations. The provision requires the IRS to create procedures under which a 501(c) organization facing an adverse determination may request administrative appeal to the IRS Office of Appeals. This includes determinations relating to the initial or continuing classification of (1) an organization as tax-exempt under section 501(a); (2) an organization under section 170(c)(2); (3) a private foundation under section 509(a); or (4) a private operating foundation under section 4942(j)(3). The provision applies to determinations made after May 19, 2014.

Section 405. Organizations required to notify Secretary of intent to operate under 501(c)(4). The provision provides for a streamlined recognition process for organizations seeking tax exemption under section 501(c)(4). The process requires 501(c)(4) organizations to file a simple one-page notice of registration with the IRS within 60 days of the organization's formation. The current, voluntary 501(c)(4) application process will be eliminated. Within 60 days after an application is submitted, the IRS is required to provide a letter of acknowledgement of the registration, which the organization can use to demonstrate its exempt status, typically with state and local tax authorities.

Section 406. Declaratory judgments for 501(c)(4) and other exempt organizations. The provision permits 501(c)(4) organizations and other exempt organizations to seek review in Federal court of any revocation of exempt status by the IRS. The provision applies to pleadings filed after the date of enactment.

Section 407. Termination of employment of Internal Revenue Service employees for taking official actions for political purposes. The provision makes clear that taking official action for political purposes is an offense for which the employee should be terminated. The bill amends the Internal Revenue Service Restructuring and Reform Act of 1998 to expand the grounds for termination of employment of an IRS employee to include performing, delaying, or failing to perform any official action (including an audit) by an IRS employee for the purpose of extracting personal gain or benefit for a political purpose. The provision takes effect on the date of enactment.

Section 408. Gift tax not to apply to contributions to certain exempt organizations. The provision treats transfers to organizations exempt from tax under section 501(c)(4), (c)(5), and (c)(6) of the tax code as exempt from the gift tax. The provision applies to transfers made after the date of enactment.

Section 409. Extend Internal Revenue Service authority to require truncated Social Security numbers on Form W-2. The provision requires employers to include an "identifying number" for each employee, rather than an employee's SSN, on Form W-2. This change will permit the Department of the Treasury to promulgate regulations requiring or permitting a truncated SSN on Form W-2. The provision is effective on the date of enactment.

Section 410. Clarification of enrolled agent credentials. The provision permits enrolled agents approved by the IRS to use the designation "enrolled agent," "EA," or "E.A." The provision is effective on the date of enactment.

Section 411. Partnership audit rules. The provision corrects and clarifies certain technical issues in the partnership audit rules enacted in the Bipartisan Budget Act of 2015.

## Subtitle B – United States Tax Court

### PART 1 – Taxpayer Access to United States Tax Court

Section 421. Filing period for interest abatement cases. The provision permits a taxpayer to seek review by the Tax Court of a claim for interest abatement when the IRS has failed to issue a final determination. The provision applies to claims for interest abatement filed after the date of enactment.

Section 422. Small tax case election for interest abatement cases. The provision expands the current-law procedures for the Tax Court to consider small tax cases (i.e., cases with amount in

dispute that are under \$50,000) to include the review of IRS decisions not to abate interest, provided the amount of interest for which abatement is sought does not exceed \$50,000. The provision applies to cases pending and cases commenced after the date of enactment.

Section 423. Venue for appeal of spousal relief and collection cases. The provision clarifies that Tax Court decisions in cases involving spousal relief and collection cases are appealable to the U.S. Court of Appeals for the circuit in which an individual's legal residence is located or in which a business' principal place of business or principal office of agency is located. The provision applies to Tax Court petitions filed after the date of enactment.

Section 424. Suspension of running of period for filing petition of spousal relief and collection cases. The provision suspends the statute of limitations in cases involving spousal relief or collections when a bankruptcy petition has been filed and a taxpayer is prohibited from filing a petition for review by the Tax Court. Under the provision, the suspension is for the period during which the taxpayer is prohibited from filing such a petition, plus 60 days. The provision applies to Tax Court petitions filed after the date of enactment.

Section 425. Application of Federal rules of evidence. The provision requires the Tax Court to conduct its proceedings in accordance with the Federal Rules of Evidence (rather than the rules of evidentiary rules applied by the United States District Court of the District of Columbia, as under current law). The provision applies to proceedings commenced after the date of enactment.

## PART 2 – United States Tax Court Administration

Section 431. Judicial conduct and disability procedures. The provision authorizes the Tax Court to establish procedures for the filing of complaints with respect to the conduct of any judge or special trial judge of the Tax Court and for the investigation and resolution of such complaints. The provision applies to proceedings commenced 180 days after the date of enactment.

Section 432. Administration, judicial conference, and fees. The provision extends to the Tax Court the same general management, administrative, and expenditure authorities that are available to Article III courts and the Court of Appeals for Veterans Claims. The provision also permits the Tax Court to conduct an annual judicial conference and charge reasonable registration fees. Additionally, the provision authorizes the Tax Court to deposit certain fees into a special fund held by the Treasury Department, with such funds available for the operation and maintenance of the Tax Court. The provision is effective on the date of enactment.

## PART 3 – Clarification Relating to United States Tax Court

Section 441. Clarification relating to United States Tax Court. The provision clarifies that the Tax Court is not an agency of, and shall be independent of, the Executive Branch. The provision is effective upon the date of enactment.

## TITLE V – TRADE-RELATED PROVISIONS

Section 501. Modification of effective date of provisions relating to tariff classification of recreational performance outer wear. The provision delays implementation of changes in the classification of certain recreation performance outerwear products that would inadvertently increase tariffs on some of those products.

Section 502. Agreement by Asia-Pacific Economic Co-operation members to reduce rates of duty on certain environmental goods. The provision ensures that the reduction of tariffs on certain environmental goods to fulfill an agreement by members of the Asia-Pacific Economic Cooperation (APEC) forum is implemented in accordance with the Trade Priorities and Accountability Act of 2015.

## TITLE VI –BUDGETARY EFFECTS

Section 601. Budgetary effects. The provision provides for the bill’s treatment for PAYGO purposes.

### **Bill Tracking**

Note: some of the following bills lack a subject summary. That is because the internal Hill bill information system has still not “caught up” with the number of bills introduced. It will. Also, some of the following bills may drop off the tracking list depending upon what is learned about their subject matter.

### **S.176, W21, Water in the 21st Century Act**

Introduced on January 13 by Senator Barbara Boxer-D-CA) with two cosponsors. The bill was referred to the Committee on Environment and Public Works. The House companion bill is H.R.291. Water in the 21st Century Act or W21 establishes within the Environmental Protection Agency (EPA) a WaterSense program to identify, label, and promote water efficient products, buildings, landscapes, facilities, processes, and services. This bill establishes a program to provide financial incentives for consumers to purchase and install products, buildings, landscapes, facilities, processes, and services labeled under the WaterSense program. The EPA is required to make grants to owners or operators of water systems to address any ongoing or forecasted impact of climate change on a region's water quality or quantity. The Department of the Interior may: (1) provide financial assistance to water projects in specified states, including projects for water recycling, water infrastructure, enhanced energy efficiency, desalination, and water storage and conveyance; and (2) transfer to nonfederal entities title to any reclamation projects or facility in need of rehabilitation that are authorized before enactment of this Act. The U.S. Geological Survey must establish an open water data system to advance the availability, timely distribution, and widespread use of water data and information for water management, education, research, assessment, and monitoring purposes. This bill reauthorizes through FY2020 the Water Desalination Act of 1996 and water resources research and technology institutes under the Water Resources Research Act of 1984. After receiving a request from a nonfederal sponsor, the U.S. Army Corps of Engineers must review the operation of a reservoir and, if appropriate, update the water control manual to incorporate improved weather and runoff forecasting methods. The EPA is required to develop voluntary national drought resilience guidelines relating to preparedness planning and investments for water users and providers. The U.S. Fish and Wildlife Service must prepare a salmon drought plan for California.

Status Update: no change since the last report.

### **H.R.291, W21, Water in the 21st Century Act**

Introduced on January 14 by Congresswoman Grace Napolitano (D-CA-32) with 28 (now 31) cosponsors. The bill was referred to the Committees on Natural Resources, Energy and Commerce, Science and Transportation and Infrastructure. The Senate companion bill is S.176.

Water in the 21st Century Act or W21 establishes within the Environmental Protection Agency (EPA) a WaterSense program to identify, label, and promote water efficient products, buildings, landscapes, facilities, processes, and services. This bill establishes a program to provide financial incentives for consumers to purchase and install products, buildings, landscapes, facilities, processes, and services labeled under the WaterSense program. The EPA is required to make grants to owners or operators of water systems to address any ongoing or forecasted impact of climate change on a region's water quality or quantity. The Department of the Interior may: (1) provide financial assistance to water projects in specified states, including projects for water recycling, water infrastructure, enhanced energy efficiency, desalination, and water storage and conveyance; and (2) transfer to nonfederal entities title to any reclamation projects or facility in need of rehabilitation that are authorized before enactment of this Act. The U.S. Geological Survey must establish an open water data system to advance the availability, timely distribution, and widespread use of water data and information for water management, education, research, assessment, and monitoring purposes. This bill reauthorizes through FY2020 the Water Desalination Act of 1996 and water resources research and technology institutes under the Water Resources Research Act of 1984. After receiving a request from a nonfederal sponsor, the U.S. Army Corps of Engineers must review the operation of a reservoir and, if appropriate, update the water control manual to incorporate improved weather and runoff forecasting methods. The EPA is required to develop voluntary national drought resilience guidelines relating to preparedness planning and investments for water users and providers. The U.S. Fish and Wildlife Service must prepare a salmon drought plan for California.

Status Update: no change since the last report.

### **S.1589, Building and Renewing Infrastructure for Development and Growth in Employment Act or the BRIDGE Act**

Introduced on June 16 by Senator Mark Warner (D-VA) with ten (now 11) cosponsors and referred to the Committee on Finance. Establishes the Infrastructure Financing Authority (IFA) as a wholly-owned government corporation, headed by a Chief Executive Officer and managed by a Board of Directors, which shall provide direct loans and loan guarantees to facilitate the construction, consolidation, alteration, or repair of transportation, water, and energy infrastructure projects. Requires infrastructure projects assisted under this Act to have costs reasonably anticipated to equal or exceed \$50 million (\$10 million for rural infrastructure projects). Sets forth special requirements for infrastructure projects in rural areas. Establishes an Office of Technical and Rural Assistance to: provide technical assistance to state and local governments and parties in public-private partnerships in the development and financing of eligible, including rural, infrastructure projects; and establish a regional infrastructure accelerator demonstration program. Establishes an Office of Special Inspector General to conduct, supervise, and coordinate audits and investigations of the business activities of IFA. Prohibits IFA financing of a project if: it is private or does not create a public benefit, or the loan applicant is unable to demonstrate a sufficient revenue stream. Sets forth terms for loans or loan guarantees for eligible infrastructure projects and for the repayment of such loans. Requires an annual independent audit of IFA finances. Requires the President, immediately after IFA approves financing for a proposed project, to convene a meeting of representatives of all permitting agencies to: establish a permitting timetable for the environmental review of a project, and coordinate with relevant state agencies and regional infrastructure development agencies in

the review of such projects. Requires the Chief Executive Officer of IFA to: establish fees with respect to loans and loan guarantees that are sufficient to cover IFA's administrative costs; and take actions to make IFA a self-sustaining entity, with administrative and federal credit subsidy costs fully funded by fees and risk premiums on loans and loan guarantees. Amends the Internal Revenue Code to increase from \$15 billion to \$16 billion the aggregate amount of proceeds from tax-exempt facility bonds the Department of Transportation shall allocate among qualified highway or surface freight transfer facilities.

Status Update: no change since the last report.

### **H.R.198, the “MOVE Freight Act of 2015”**

Introduced on January 7 by Congressman Albio Sires (D-NJ-8) with no (now 4) cosponsors. The bill was referred to the House Committee on Transportation and Infrastructure. The Multimodal Opportunities Via Enhanced Freight Act of 2015 or “MOVE Freight Act of 2015” defines the "national freight network" as a network composed of highways, railways, navigable waterways, seaports, airports, freight intermodal connectors, and aerotropolis transportation systems most critical to the multimodal movement of freight; revises requirements for establishment and designation of a national freight network; directs the Secretary of Transportation (DOT) to establish a national freight network for efficient movement of freight on highways (as currently), railways, and navigable waterways, as well as into and out of inland ports, seaports, and airports; re-characterizes the primary freight network as multimodal, including critical rail corridors, critical intermodal connections, and critical inland port, seaport, and airport infrastructure; directs the Secretary to require (currently, encourage) states to develop state freight plans for immediate and long-range planning activities and investments with respect to freight. Requires states to coordinate with neighboring states to ensure multistate network continuity and connectivity; directs the Secretary to establish a competitive grant program for capital investment projects that improve the efficiency of the national transportation system to move freight; limits the federal share of project net capital costs to 80%; and, requires a grant recipient to submit to the Secretary: (1) a project management plan and an annual financial plan for a project with a total cost of \$500 million or more, or (2) an annual financial plan for a project with a total cost of \$100 million or more.

Status Update: no change since the last report.

### **H.R.2716, Transportation Empowerment Act**

Introduced on June 10 by Congressman Ron DeSantis (R-FL-6) with 9 (now 44) cosponsors. The bill was referred to the Committees on Transportation and Infrastructure, Ways and Means, Budget and Rules. This bill prescribes a limitation on funding of transportation programs and projects for FY2016-FY2020. Appropriations out of the Highway Trust Fund (HTF) (other than the Mass Transit Account) are authorized for FY2016-FY2020, subject to a certain limitation, for specified core programs under the federal-aid highway program, including emergency relief for highways and roads, the federal lands transportation program, and Federal Highway Administration administrative expenses. A state may transfer and use excess federal-aid highway funds for any surface transportation project (including mass transit and rail). Certain limits are placed on federal assistance to states for highway bridge replacement and rehabilitation to bridges on the federal-aid highway system. Beginning with FY2015, a highway construction or improvement project shall not be considered a federal project: unless and until a state expends

federal funds for the construction portion of the project, solely by reason of the state expenditure of federal funds before the construction phase of the project (including for any environmental document or design work), or upon state reimbursement to the federal government of the federal costs of such projects. The Internal Revenue Code is amended to make amounts in the HTF available for expenditure for core highway programs through FY2022. The Department of the Treasury shall pay from the HTF into the Treasury general fund amounts equivalent to the floor stocks refunds made before July 1, 2022, as well as into the Airport and Airway Trust Fund amounts equivalent to certain aviation fuel taxes received before October 1, 2022. A motor fuel tax rate schedule is prescribed for the financing of core highway programs. Treasury authority to make certain transfers to the Mass Transit Account shall be terminated at the end of FY2016, at which time Treasury shall transfer all amounts from the Mass Transit Account to the Highway Account. The national highway performance program is revised to repeal program requirements for specified National Highway System transportation improvement projects, including environmental mitigation projects. The surface transportation program is revised to eliminate from eligibility for program assistance: carpool projects, fringe and corridor parking facilities and programs, including electric vehicle and natural gas vehicle infrastructure, and bicycle transportation and pedestrian walkways projects transportation alternatives; and environmental mitigation projects, including environmental restoration and pollution abatement projects Also repealed are: the obligation of a state to use a portion of program funds for replacement or rehabilitation of off-system bridges, metropolitan transportation planning requirements for federal-aid highways, and the authorization of federal assistance to states for historic bridges. Certain requirements of the highway safety improvement program are revised or repealed, eliminating eligibility for projects for pedestrian or bicyclist safety or safety of persons with disabilities. The congestion mitigation and air quality improvement program and the transportation alternatives program are repealed. Appropriations out of the HTF (other than the Mass Transit Account) are authorized for FY2016-FY2020 for the highway research and development program. Treasury shall allocate to the states for surface transportation projects (including mass transit and rail) any excess highway tax receipts appropriated to the HTF in FY2016-FY2019. Excise taxes on gasoline, diesel fuel or kerosene, and diesel-water fuel emulsion are reduced. Credits or refunds are required for certain floor stocks taxes on liquids imposed before October 1, 2020. This Act shall become effective only if the Office of Management and Budget certifies that it is deficit neutral.

Status Update: five cosponsors added since the last report.

**S.1544, A bill to rescind unused earmarks provided for the Department of Transportation, and for other purposes.**

Introduced on June 10 by Senator Jeff Flake (R-AZ) with no (now 2) cosponsors. The bill was referred to the Committee on Appropriations. This bill rescinds unused earmarks previously appropriated to the Department of Transportation (DOT) and transfers the balances to the Highway Trust Fund. Under the House and Senate rules, an earmark is a provision or report language included primarily at the request of a Member of Congress providing, authorizing, or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an entity, or targeted to a specific state, locality or congressional district, other than through a statutory or administrative formula-driven or competitive award process. Under this bill, earmarks provided to DOT are unused and rescinded if more than 90% of the funding remains available for obligation at the end of the 9th fiscal year following the year the earmark was made available. DOT may delay the rescission if it determines that an additional obligation is likely to occur during the 10th year after funds were made available. The bill requires each

federal agency to submit an annual report to the Office of Management and Budget (OMB) identifying: (1) each earmark for a project that is ineligible for funding, (2) projects for which funding has been made available under an earmark, and (3) projects with unobligated balances. OMB must submit to Congress and post on its website an annual report including an accounting of unobligated earmarks, rescissions resulting from this bill, and DOT earmarks scheduled to be rescinded

Status Update: no change since the last report.

### **S.1732, Comprehensive Transportation and Consumer Protection Act of 2015**

Introduced on July 9 by Senator John Thune (R-SD) with two cosponsors. The bill was referred to the Committee on Commerce, Science, and Transportation and was ordered reported.

Status Update: no change since the last report.

### **H.R.2353, Highway and Transportation Funding Act of 2015**

Introduced on May 15 by Congressman Bill Shuster (R-PA-9) with one cosponsor. Directs the Secretary of Transportation to reduce the amount apportioned for a surface transportation program, project, or activity for FY2015 by amounts apportioned or allocated under the Highway and Transportation Funding Act of 2014 for the period from October 1, 2014, through May 31, 2015. Amends the Highway and Transportation Funding Act of 2014 to continue from October 1, 2014, through July 31, 2015, and authorizes appropriations through that period for, specified federal-aid highway programs under: the Moving Ahead for Progress in the 21st Century Act (MAP-21), the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) Technical Corrections Act of 2008, SAFETEA-LU, the Transportation Equity Act for the 21st Century (TEA-21), the National Highway System Designation Act of 1995, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), and other specified law. Subjects funding for such programs generally to the same manner of distribution, administration, limitation, and availability for obligation, but at a specified pro rata of the total amount, as funds authorized for appropriation out of the Highway Trust Fund (HTF) for such programs and activities for FY2014. Amends the Moving Ahead for Progress in the 21st Century Act (MAP-21) to authorize appropriations out of the general fund of the Treasury for the Tribal High Priority Projects program for the same period. Prescribes an obligation ceiling of \$33,528,284,932 for federal-aid highway and highway safety construction programs for the same period. Authorizes appropriations from the HTF (other than the Mass Transit Account) for administrative expenses of the federal-aid highway program for the same period. Extends for the same period the authorization of appropriations for National Highway Traffic Safety Administration (NHTSA) safety programs, including: highway safety research and development, national priority safety programs, the National Driver Register, the High Visibility Enforcement Program, and NHTSA administrative expenses. Amends SAFETEA-LU to extend for the same period high-visibility traffic safety law enforcement campaigns under the High Visibility Enforcement Program. Sets aside a specified amount of the total apportionment to states for highway safety programs for a cooperative program to research and evaluate priority highway safety countermeasures for the same period. Extends for the same period the authorization of appropriations for Federal Motor Carrier Safety Administration (FMCSA) programs, including: motor carrier safety grants, FMCSA administrative expenses, commercial driver's license program improvement grants, border enforcement grants, performance and registration information system management grants, commercial vehicle information systems and networks

deployment grants, safety data improvement grants, a set-aside for high priority activities that improve commercial motor vehicle safety and compliance with commercial motor vehicle safety regulations, a set-aside for new entrant motor carrier audit grants, FMCSA outreach and education, and the commercial motor vehicle operators grant program. Amends the Dingell-Johnson Sport Fish Restoration Act to continue, for the same period, the authorized distribution of funds for coastal wetlands, recreational boating safety, projects under the Clean Vessel Act of 19921, boating infrastructure projects, and the National Outreach and Communications Program. Extends for the same period the apportionment of non-urbanized (rural) area formula grants for competitive grants and formula grants for public transportation on Indian reservations. Extends the apportionment of urbanized area formula grants for passenger ferry projects for the same period. Extends for the same period the authorization of appropriations from the HTF Mass Transit Account for: formula grants for public transportation, including allocations for specified projects; research, development demonstration, and deployment projects; the transit cooperative research program; technical assistance and standards development grants; human resources and training grants; capital investment grants; and administrative expenses. Allocates, for the same period, certain amounts to states and territories for formula bus and bus facilities grants. Authorizes appropriations for the same period for hazardous materials (hazmat) transportation safety projects. Authorizes the Secretary to make certain expenditures, including an amount for hazmat training grants, from the Hazardous Materials Emergency Preparedness Fund for the same period. Amends the Internal Revenue Code to extend through July 31, 2015, the authority for expenditures from: (1) the HTF Highway and Mass Transit Accounts, (2) the Sport Fish Restoration and Boating Trust Fund, and (3) the Leaking Underground Storage Tank Trust Fund. Bill became law (PL 114-21).

Status Update: no change since the last report.

### **H.R.2410, To authorize highway infrastructure and safety, transit, motor carrier, rail, and other surface transportation programs, and for other purposes.**

Introduced on May 19 by Congressman Peter DeFazio (D-OR-4) with 23 (now 62) cosponsors. The bill was referred to the Committees on Transportation and Infrastructure, Energy and Commerce, Ways and Means, Science, Space, and Technology, Natural Resources, Oversight and Government Reform, the Budget, and Rules. Prescribes requirements for environmental reviews with respect to state and federal agency engagement, obstruction of navigation, historic sites, categorical exclusion of multimodal projects from environmental review, and creation in the Department of Transportation (DOT) of an Interagency Infrastructure Permitting Improvement Center. Directs DOT to establish a multimodal freight incentive grant program and a National Freight Infrastructure Program. Re-designates the Dwight D. Eisenhower System of Interstate and Defense Highways as the National Highway System and the National Freight Network. Requires the federal long-range transportation plan to include a transportation system resilience assessment. Prescribes criteria for high performing metropolitan planning organizations (MPOs) representing urbanized areas with populations of over 200,000. Removes the congestion management process from the transportation planning process for MPOs. Directs DOT to establish a pilot program for up to 10 MPOs to improve multimodal connectivity and increase connections for disadvantaged Americans and neighborhoods with limited transportation options. Revises requirements with respect to congestion mitigation and air quality improvement, including electric vehicle charging stations and commercial motor vehicle anti-idling facilities in rest areas along the Interstate System. Establishes in DOT: a discretionary TIGER Infrastructure Grant Program for various transportation projects; and a discretionary FAST Grant Program to reform the way surface transportation investments and decisions are made, implemented, and funded to achieve national transportation outcomes. Revises

requirements for the funding of railroad rehabilitation and improvement financing, the state infrastructure bank program, toll roads, bridges, tunnels, and ferries. Establishes within DOT the position of Assistant Secretary for Innovative Finance. Reauthorizes the federal-aid highway and related programs through FY2021, including revised obligation limitation and apportionment requirements. Directs DOT to: establish a nationally significant federal lands and tribal projects program to fund construction, reconstruction, or rehabilitation of nationally significant federal lands and tribal transportation projects; carry out a broadband infrastructure deployment initiative; create a program to make critical and immediate improvements to infrastructure and highway safety; set-aside specified funds for states for highway safety data improvement activities on public roads; and create and maintain data sets and data analysis tools to assist MPOs, states, and the DOT in carrying out performance management analyses. Federal Public Transportation Act of 2015 Revises fixed guideway capital investment grants requirements. Authorizes grants to state and local governments for very small starts projects. Revises requirements for formula grants for enhanced mobility and for rural areas, workforce development programs, and the public transportation safety program. Requires recipients of transportation assistance to meet certain standards for hiring locally. Reauthorizes specified public transportation assistance programs through FY2021. Authorizes DOT to make competitive grants to state and local governmental entities for bus rapid transit projects. Authorizes appropriations for specified highway safety programs through FY2021, and revises related requirements. Revises criteria for state graduated driver licensing incentive grants. Adds a 24-7 sobriety program to criteria for state repeat offender and open container laws. Authorizes specified amounts of grant funds to states for distracted driving enforcement. Authorizes appropriations for specified motor vehicle safety programs through FY2021, and increases penalties for safety violations. Revises certain reporting requirements for tire manufacturers. Requires DOT to conduct a pilot grant program to evaluate the feasibility and effectiveness for a state process for informing consumers of open motor vehicle recalls at the time of motor vehicle registration. Revises specified requirements for commercial motor vehicle and commercial driver safety. Requires disqualification to operate a commercial motor vehicle for anyone who fails to pay an assessed civil penalty for a motor vehicle safety violation. Revises certain medical and registration requirements for commercial motor vehicle operators. Revises requirements for the Motor Carrier Safety Assistance Program. Directs DOT to administer a High Priority Program, an innovative technology deployment grant program, and a Commercial Motor Vehicle Operators Grant Program. Authorizes DOT to establish: a motor carrier safety facility working capital fund, and a financial assistance program for commercial driver's license program implementation. Directs DOT to maintain for the Federal Motor Carrier Safety Administration a motor carrier safety advisory committee. Revises requirements for the Unified Carrier Registration System plan. Repeals the authorization for self-insurance by motor carriers. Prescribes notice requirements relating to decisions that electronic logging devices fail to comply with standards. Authorizes DOT to issue regulations: governing contractors that exercise control over motor carrier operations; and requiring motor vehicle employers to track and compensate employees for on-duty, not-driving time. Authorizes DOT, with respect to unsafe conditions or practices in the transportation of hazardous materials (hazmat transportation), to order necessary: operational controls, restrictions, and prohibitions without prior notice or an opportunity for a hearing; and removal, remediation, or disposal of hazardous materials causing unreasonable risk of death, personal injury, or significant harm to the property or the environment. Authorizes DOT to collect reasonable fees for the administration of the special permits and approvals for deposit into a Hazardous Materials Approvals and Permits Fund. Revises requirements for planning and training grants under the Emergency Planning and Community Right-To-Know Act of 1986. Reauthorizes the program for regulating hazmat transportation through FY2021. Amends the Internal Revenue Code to extend through FY2023 specified highway-related taxes as well as requirements for expenditures from the Sport Fish Restoration and Boating Trust Fund. Replaces the Highway Trust Fund with a Transportation Trust Fund, and authorizes

appropriations to it through FY2021. Directs DOT to establish and support a National Cooperative Freight Transportation Research Program and a Priority Multimodal Research Program. Revises the competitive selection process for the university transportation centers consortia program. Requires the Director of the Bureau of Transportation Statistics (BTS) to create data sets and data analysis tools for intermodal transportation data. Establishes in the BTS a National Transportation Library. Authorizes the BTS Director to establish a Port Performance Statistics Program to provide nationally consistent measures of performance of the nation's maritime ports. Revises requirements for the intelligent transportation system (ITS) program. Includes as an ITS program goal the development and deployment of automated vehicles in all modes of surface transportation. Prescribes requirements for the use of funds to develop ITS infrastructure, equipment, and *systems*. *Rail for America Act* Directs DOT to facilitate by financial assistance the establishment of a National High-Performance Rail System of integrated passenger and freight rail services, including a Current Passenger Rail Service Program and a Rail Service Improvement Program. Authorizes appropriations through FY2021 for the System and for the planning, development, construction, and implementation of rail corridors and related infrastructure improvements. Requires Amtrak to submit to the Secretary draft 5-year business line plans and draft 5-year capital asset plans. Authorizes DOT to establish Regional Rail Development Authorities, including a Regional Committee, to facilitate the development of multi-state high-performance rail services, and to coordinate these investments with other rail, transit, highway, and aviation system services. Prescribes requirements for the standardization of passenger equipment and level-entry boarding platforms. Directs DOT to: evaluate the shared-use of right-of-way by passenger and freight rail systems and the operational, institutional, and legal structures that would best support improvements to both of these systems; and conduct a nationwide disparity and availability study to establish the availability and utilization of small business concerns owned and controlled by socially and economically disadvantaged individuals in publicly funded railroad projects. Requires DOT to complete a National Rail Development Plan meeting certain criteria, and facilitate development of Regional Rail Development Plans. Authorizes DOT to prescribe regulations or issue orders to require host railroads for joint operations that occur within a small geographic area to develop unified rules governing all operations within that area. Revises or prescribes requirements relating to positive train control, hours of service, maximum employee duty hours, safety appliances, locomotive inspections, noise emission standards, and damaged track inspection equipment. Authorizes federal agency heads to construct, install, operate, and maintain electric charging infrastructure for official agency vehicles.

Status Update: two cosponsors added since the last report.

### **S.206, Local Transportation Infrastructure Act**

Introduced on January 21 by Senator Kelly Ayotte (D-NH) with no cosponsors. The bill was referred to the Committee on Commerce, Science and Transportation. The bill revises and reauthorizes the state infrastructure bank program for FY2015 and FY2016.

Status Update: no change since the last report.

### **H.R.652, State Transportation and Infrastructure Financing Innovation Act (STIFIA)**

Introduced on February 3 by Congressman Richard Hanna (R-NY-22) with 3 cosponsors. The bill was referred to the Subcommittee on Highways and Transit of the Transportation and Infrastructure Committee. The bill revises and reauthorizes the state infrastructure bank program for FY2016-FY2020.

Status Update: no change since the last report.

### **H.R.413, Partnership to Build America Act of 2015**

Introduced on January 21 by Congressman John Delaney (D-MD-6) with 34 (now 41) cosponsors. The bill was referred to the Committees on Ways and Means and Transportation and Infrastructure. The bill establishes the American Infrastructure Fund (AIF) as a wholly-owned government corporation to provide bond guarantees and make loans to state and local governments, non-profit infrastructure providers, private parties, and public-private partnerships for state or local government sponsored transportation, energy, water, communications, or educational facility infrastructure projects (Qualified Infrastructure Projects [QIPs]). Authorizes AIF also to make equity investments in QIPs. Directs the Secretary of the Treasury, acting through the AIF, to issue American Infrastructure Bonds with an aggregate face value of \$50 billion. Requires proceeds from the sale of the bonds to be deposited into the AIF. Amends the Internal Revenue Code to allow U.S. corporations to exclude from gross income qualified cash dividend amounts received during a taxable year from a foreign-controlled corporation equal to the face value of qualified infrastructure bonds the corporation has purchased. Prohibits allowance of a foreign tax credit to the excluded portion of any dividend received by a U.S. corporation. Prohibits also the allowance of a deduction for expenses related to that excludable portion.

Status Update: no change since the last report.

### **H.R.625, Infrastructure 2.0 Act**

Introduced on January 30 by Congressman John Delaney (D-MD-6) with 4 (now 24) cosponsors. The bill was referred to the Committees on Rules, Ways and Means and Transportation and Infrastructure. Amends the Internal Revenue Code, with respect to the taxation of earnings and profits of a deferred foreign income corporation, to: (1) make such earnings and profit subject to taxation in the last taxable year that ends before the enactment of this Act; (2) reduce the rate of tax on such earnings and profits by allowing an exemption of 75% (equal to a tax of 8.75% of repatriated earnings and profits); and (3) allow such corporations to elect to pay such tax in eight installments. Establishes the American Infrastructure Fund to provide assistance to states, local governments, and other public and private entities for investment in public infrastructure projects. Appropriates tax revenues from this Act to the Highway Trust Fund. Establishes the Highway Trust Fund Solvency Commission to submit recommendations and proposed legislation for achieving long-term solvency of the Highway Trust Fund. Sets forth congressional procedures for the expedited consideration of a bill containing such legislation. Directs the Secretary of Transportation to establish a regional infrastructure accelerator pilot program to assist public entities in developing infrastructure projects. Establishes a deadline of 18 months after the enactment of this Act for the enactment of legislation that reforms the international tax system by eliminating the incentive to hold earnings in low-tax jurisdictions. Imposes a tax on repatriated offshore corporate earnings upon the expiration of the deadline. Sets forth provisions for the reform of the international tax system (to be effective if reform legislation is not enacted by the 18-month deadline established by this Act), including provisions relating to subpart F income and insurance income, gains and losses from the sale or exchange of stock in controlled foreign corporations, limitations on the foreign tax credit, and the tax treatment of previously deferred foreign income.

Status Update: no change since the last report.

## **H.R.211, REBUILD Act**

Introduced on January 8 by Congressman Ken Calvert (R-CA-42) with no cosponsors. The bill was referred to the House Committee on Natural Resources. This bill amends the National Environmental Policy Act of 1969 (NEPA) to authorize: (1) the assignment to states of federal environmental review responsibilities under NEPA and other relevant federal environmental laws for covered federal projects, and (2) states to assume all or part of those responsibilities. Each responsible federal official who is authorized to assign such responsibility must promulgate regulations that establish requirements relating to information required to be contained in state applications to assume those responsibilities. An official may approve an application only if: (1) public notice requirements have been met, (2) the state has the capability to assume the responsibilities, and (3) the head of the state agency having primary jurisdiction over covered projects enters into a written agreement with an official to assume the responsibilities and to maintain the financial resources necessary to carry them out. The officials must audit state compliance with federal laws for which responsibilities are assumed. The officials may terminate the responsibilities assigned to states after providing notice to states of any noncompliance and an opportunity to take corrective action.

Status Update: no change since the last report.

## **S.268, Rebuild America Act of 2015**

Introduced on January 27 by Senator Bernard Sanders (I-VT) with one cosponsor. The bill was referred to the Committee on Banking, Housing, and Urban Affairs. Reduces the non-federal share of the cost of any activity funded by this Act by 50% of what it was before enactment of this Act. Appropriates funds for FY2015-FY2022 to the Highway Trust Fund to improve roads, bridges, and other U.S. transportation infrastructure. Appropriates funds for FY2015-FY2019: (1) for intercity high-speed rail service, (2) to provide credit assistance for surface transportation projects of national and regional significance, (3) to implement airport improvement and noise compatibility projects at public-use airports, (4) to the Federal Aviation Administration to accelerate deployment of satellite technology to improve airport safety and capacity, and (5) for the TIGER Discretionary Grant Program. Appropriates funds for FY2015-FY2019 for water infrastructure, including to: (1) the Environmental Protection Agency for capitalization grants to states to establish water pollution control revolving funds and drinking water treatment revolving loan funds and for loans for large water infrastructure projects that are ineligible for funding from a state revolving loan fund; (2) the Federal Emergency Management Agency to carry out the predisaster hazard mitigation program for minor localized flood reduction projects and major flood risk reduction projects; and (3) the Army Corps of Engineers for inland waterways projects, coastal harbors and channels, inland harbors, and dams and levees. Appropriates funds for FY2015-FY2019 for the National Park Service. Appropriates funds for FY2015-FY2019 for the Broadband Initiatives Program, the Broadband Technology Opportunities Program, and the Department of Energy to modernize the electric grid. Establishes the National Infrastructure Development Bank as a wholly owned government corporation. Makes the Bank's Board of Directors responsible for monitoring and overseeing energy, environmental, telecommunications, data, or transportation infrastructure projects. Authorizes the Board to: make senior and subordinated loans and purchase senior and subordinated debt securities; issue and sell debt securities of the Bank; issue public benefit bonds and provide direct subsidies to infrastructure projects from the proceeds; make loan guarantees; borrow on the global capital market and lend to regional, state, and local entities, and commercial banks, to fund infrastructure projects; and purchase, pool, and sell infrastructure-related loans and securities on the global capital market. Requires the Board to establish: (1) an Executive Committee, a Risk Management Committee, and an Audit Committee; and (2) criteria for determining eligibility for financial assistance from

the Bank and disclosure and application procedures for entities to nominate projects for such assistance. Requires the Bank to conduct an analysis that considers the economic, environmental, and social benefits and costs of each project under consideration, prioritizing projects that contribute to economic growth, lead to job creation, and are of regional or national significance. Sets forth criteria to be considered by the Board in determining the eligibility of transportation, environmental, energy, and telecommunications infrastructure projects for assistance. Exempts all bonds issued by the Bank from state or local government taxation. Deems all debt securities and other obligations issued by the Bank to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission. Sets forth requirements regarding compliance of financed infrastructure projects with prevailing wage rate, domestic content, and buy American statutes. Authorizes appropriations for the capitalization of the Bank.

Status Update: no change since the last report.

### **H.R.1308, Economy in Motion: The National Multimodal and Sustainable Freight Infrastructure Act**

Introduced on March 4 by Congressman Alan Lowenthal (D-CA-47) with 3 (now 15) cosponsors. The bill was referred to the Committees on Transportation and Infrastructure and Ways and Means. The bill directs the Secretary of Transportation to: (1) establish a Multimodal Freight Funding Formula Program to distribute funds to states, and a National Freight Infrastructure Competitive Grant Program to make grants to entities for projects, to improve the efficiency and reliability of freight movement in the United States; (2) establish a multimodal national freight network to accomplish the goals of the national freight policy, including increasing the productivity and efficiency of the national freight system and improving its safety, security, and resilience; (3) develop, maintain, and post on the public website of the Department of Transportation a national freight strategic plan that includes an assessment of the condition and performance of the national freight system; and (4) develop and improve tools to support an outcome-oriented, performance-based approach to evaluate proposed freight-related and other transportation projects. Amends the Moving Ahead for Progress in the 21st Century Act (or MAP-21) to: (1) expand the membership and duties of state freight advisory committees; and (2) require state freight plans to include strategies and goals to decrease greenhouse gas emissions, local air pollution, water runoff, and wildlife habitat loss. Amends the Internal Revenue Code to: (1) impose a 1% excise tax upon taxable ground transportation of property (i.e., transportation by freight rail or truck trailer and semitrailer chassis and bodies, suitable for use with a trailer or semitrailer with a gross vehicle weight of 26,000 pounds or more), and (2) deposit such tax revenues into a Freight Trust Fund (established by this Act) to finance the Multimodal Freight Program.

Status Update: no change since the last report.

### **H.R.1330, American-Made Energy and Infrastructure Jobs Act**

Introduced on March 4 by Congressman Steve Stivers (R-OH-15) with one cosponsor. The bill was referred to the Committees on Natural Resources, Ways and Means, Energy and Commerce and Transportation and Infrastructure. Directs the Secretary to collect non-refundable fees from the operators of facilities subject to inspection under this Act. Establishes in the Treasury the Ocean Energy Enforcement Fund as depository for oil and gas leasing fees. Redefines the OCS to include all submerged lands lying within the U.S. exclusive economic zone and the Continental Shelf adjacent to any U.S. territory. Authorizes the Secretary of the Treasury, with the President's approval, to: (1) borrow for highway and transportation project expenditures and for water infrastructure expenditures, and (2) issue interest-bearing infrastructure revenue bonds

for the amounts borrowed. Amends the Internal Revenue Code to appropriate to the Highway Trust Fund 95% of any proceeds from the issuance of such infrastructure revenue bonds. Makes available to the Administrator of the Environmental Protection Agency for making capitalization grants to eligible states: (1) 2.5% of infrastructure revenue bond proceeds for grants under the Federal Water Pollution Control Act, and (2) 2.5% of such proceeds for grants under Safe Drinking Water Act.

Status Update: no change since the last report.

### **H.R.278, Transportation Investment Generating Economic Recovery for Cities Underfunded Because of Size Act of 2015 or TIGER CUBS Act**

Introduced on January 12 by Congressman Rick Larsen (D-WA-2) with one cosponsor. The bill was referred to the Committees on Appropriations and Budget. The bill provides \$500 million in supplemental FY2015 appropriations to the Department of Transportation for national infrastructure investments under a competitive grant program commonly known as the Transportation Investment Generating Economic Recovery (TIGER) program. At least \$100 million of the funds must be used for projects located in cities with populations between 10,000 and 50,000. The funding provided by this bill is designated as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. This funding is only available if the President designates the amounts as an emergency and submits the designation to Congress.

Status Update: no change since the last report.

### **H.R.680, Update, Promote, and Develop America's Transportation Essentials Act of 2015**

Introduced on February 3 by Congressman Earl Blumenauer (D-OR-3) with 25 (now 38) cosponsors. The bill was referred to the House Committee on Ways and Means. The bill expresses the sense of Congress that by 2024 the gas tax should be repealed and replaced with a more sustainable, stable funding source. Amends the Internal Revenue Code, with respect to the excise tax on motor fuels, to increase the rate of tax on: (1) gasoline other than aviation gasoline to 26.3 cents per gallon in 2016, 30.3 cents per gallon in 2017, and 33.3 cents per gallon after 2017 and before 2028; (2) diesel fuel or kerosene to 32.3 cents per gallon in 2016, 36.3 cents per gallon in 2017, and 39.3 cents per gallon after 2017 and before 2027; and (3) diesel-water fuel emulsion. Delays the termination of such increased rates from the end of FY2016 to December 31, 2026. Requires an adjustment for inflation to such increased rates beginning after 2017. Increases allocations in the Mass Transit Account of the Highway Trust Fund in 2016 and 2017 and after 2017. Imposes a floor stocks tax on rate increases for gasoline, diesel fuel, and kerosene (other than aviation-grade kerosene), subject to specified exemptions for exempt uses and low-volume producers.

Status Update: no change since the last report.

### **S.762, Innovation in Surface Transportation Act of 2015**

Introduced on March 17 by Senator Roger Wicker (R-MS) with 3 cosponsors. The bill was referred to the Committee on Environment and Public Works. The bill directs the Secretary of Transportation, in coordination with state transportation departments, to establish an innovation in surface transportation program. Requires states to make competitive grants for innovative surface transportation projects to eligible entities, including local governments, metropolitan planning organizations, regional transportation authorities, transit agencies, tribal governments,

private providers of public transportation, nonprofit transportation organizations, port authorities, joint power authorities, freight rail providers, and local rail authorities. Requires each state (including the governor and state department of transportation) to establish an innovation in surface transportation selection panel to formulate criteria for selecting projects. Requires a state to reserve certain percentages of federal funds apportioned for the national highway performance, the highway safety improvement, the congestion mitigation and air quality improvement, surface transportation, and transportation alternatives programs in order to fund related projects under state innovative surface transportation grants. Authorizes states to reserve a certain percentage of such funds for a fiscal year to meet specific requests for project application support from eligible rural local governments.

Status Update: no change since the last report.

### **H.R.1620, 414 Plan Act of 2015**

Introduced on March 25 by Congressman Randy Forbes (R-VA-4) with no cosponsors. The bill was referred to the House Committee on Transportation and Infrastructure. Declares that federal laws and regulations (including prevailing rate of wage requirements under the Davis-Bacon Act) shall not apply to any federal-aid highway or highway safety construction project, except those relating to: (1) the safety or durability of a highway facility, or (2) public or workplace safety. Repeals the prohibition against approval of federal-aid highway projects or regulatory actions that will result in the severance of an existing major route or have significant adverse impact on the safety for non-motorized transportation traffic and light motorcycles, unless the project or action provides for a reasonable alternative route or such a route exists. Defines "transportation alternatives" as any of the following activities when carried out as part of an authorized or funded federal-aid highway program or project, or as an independent program or project related to surface transportation for the construction, planning, and design of: (1) transportation projects to achieve compliance with the Americans with Disabilities Act of 1990; or (2) infrastructure-related projects and systems that will provide safe routes for nondrivers, including children, older adults, and individuals with disabilities to access daily needs. Repeals the authorization for states to use certain funds for construction of pedestrian walkways and bicycle transportation facilities. Eliminates the requirement that statewide transportation plans and statewide transportation improvement programs provide for the development of accessible pedestrian walkways and bicycle transportation facilities. Expresses the sense of Congress that states, federal agencies, localities, and private stakeholders should take steps toward increased cooperation to further expedite surface transportation projects.

Status Update: no change since the last report.

### **H.R.499, Sustainable Water Infrastructure Investment Act of 2015**

Introduced on January 22 by Congressman John Duncan (R-TN-2) with one (now 10) cosponsor. The bill was referred to the Ways and Means Committee. Amends the Internal Revenue Code to exempt from state volume caps tax-exempt facility bonds for sewage and water supply facilities

Status Update: one cosponsor added since the last report.

### **H.R.3038, Highway and Transportation Funding Act of 2015, Part II**

Introduced on July 13 by Congressman Paul Ryan (R-WI-1) with one cosponsor. The bill passed the House and was placed on Senate Legislative Calendar. Directs the Secretary of

Transportation to reduce the amount apportioned for a surface transportation program, project, or activity for FY2015 by amounts apportioned or allocated under the Highway and Transportation Funding Act of 2014 and the Highway and Transportation Funding Act of 2015 for the period from October 1, 2014, through July 31, 2015. TITLE I--SURFACE TRANSPORTATION PROGRAM EXTENSION Subtitle A--Federal-Aid Highways (Sec.1001) Amends the Highway and Transportation Funding Act of 2014 to continue from October 1, 2014, through December 18, 2015, and authorizes appropriations through that period for, specified federal-aid highway programs under: the Moving Ahead for Progress in the 21st Century Act (MAP-21) the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) Technical Corrections Act of 2008, SAFETEA-LU, the Transportation Equity Act for the 21st Century (TEA-21), the National Highway System Designation Act of 1995, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), and other specified law. Subjects funding for FY2015, and for the period October 1, 2015, through December 18, 2015, for such programs to certain funding level restrictions. Amends MAP-21 to authorize appropriations out of the general fund of the Treasury for the Tribal High Priority Projects program for the same period. Prescribes an obligation ceiling of \$40.256 billion for FY2015, including \$8,689,136,612 for the period October 1, 2015, through December 18, 2015, for federal-aid highway and highway safety construction programs. (Sec. 1002) Authorizes appropriations from the HTF (other than the Mass Transit Account) for administrative expenses of the federal-aid highway program for the same period. Subtitle B--Extension of Highway Safety Programs (Sec. 1101) Extends for the same period the authorization of appropriations for National Highway Traffic Safety Administration (NHTSA) safety programs, including: highway safety research and development, national priority safety programs, the National Driver Register, the High Visibility Enforcement Program, and NHTSA administrative expenses. Amends SAFETEA-LU to extend for the same period high-visibility traffic safety law enforcement campaigns under the High Visibility Enforcement Program. Sets aside a specified amount of the total apportionment to states for highway safety programs for a cooperative program to research and evaluate priority highway safety countermeasures for the same period. (Sec. 1102) Extends for the same period the authorization of appropriations for Federal Motor Carrier Safety Administration (FMCSA) programs, including: motor carrier safety grants, FMCSA administrative expenses, commercial driver's license program improvement grants, border enforcement grants, performance and registration information system management grants, commercial vehicle information systems and networks deployment grants, safety data improvement grants, a set-aside for high priority activities that improve commercial motor vehicle safety and compliance with commercial motor vehicle safety regulations, a set-aside for new entrant motor carrier audit grants, FMCSA outreach and education, and the commercial motor vehicle operators grant program. (Sec. 1103) Amends the Dingell-Johnson Sport Fish Restoration Act to continue, for the same period, the authorized distribution of funds for coastal wetlands, recreational boating safety, projects under the Clean Vessel Act of 1992, boating infrastructure projects, and the National Outreach and Communications Program. Subtitle C--Public Transportation Programs (Sec. 1201) Extends for the same period the apportionment of non-urbanized (rural) area formula grants for competitive grants and formula grants for public transportation on Indian reservations. (Sec. 1202) Extends the apportionment of urbanized area formula grants for passenger ferry projects for the same period. (Sec. 1203) Extends for the same period the authorization of appropriations from the HTF Mass Transit Account for: formula grants for public transportation, including allocations for specified projects; research, development demonstration, and deployment projects; the transit cooperative research program; technical assistance and standards development grants; human resources and training grants; capital investment grants; and administrative expenses. (Sec.

1204) Allocates, for the same period, certain amounts to states and territories for formula bus and bus facilities grants. Subtitle D--Hazardous Materials (Sec. 1301) Authorizes appropriations for the same period for hazardous materials (hazmat) transportation safety projects. Authorizes the Secretary to make certain expenditures, including an amount for hazmat training grants, from the Hazardous Materials Emergency Preparedness Fund for the same period. TITLE II--REVENUE PROVISIONS (Sec. 2001) Amends the Internal Revenue Code to extend through December 19, 2015, the authority for expenditures from: (1) the Highway and Mass Transit Accounts of the Highway Trust Fund, (2) the Sport Fish Restoration and Boating Trust Fund, and (3) the Leaking Underground Storage Tank Trust Fund. (Sec. 2002) Appropriates additional funds to the Highway and Mass Transit Accounts of the Highway Trust Fund. (Sec. 2003) Requires tax information returns reporting mortgage interest received in a trade or business to include: (1) the outstanding principal on the mortgage, (2) the date of the origination of the mortgage, and (3) the address of the property which secures the mortgage. (Sec. 2004) Requires that: (1) the value of the basis in any property acquired from a decedent be consistent with the basis as determined for estate tax purposes; and (2) executors of estates disclose to the Internal Revenue Service and to persons acquiring any interest in the decedent's estate information identifying the value of each interest received. (Sec. 2005) Makes the six-year limitation on assessments of additional tax applicable to understatements of gross income due to an overstatement of unrecovered costs or other basis. (Sec. 2006) Changes tax return due dates for partnerships, S corporations, and C corporations. Extends the automatic extension for corporate income tax returns from three to six months. (Sec. 2007) Extends through 2025 the authority for transfers of excess pension assets of a defined benefit plan to a retiree health benefits account. (Sec. 2008) Equalizes excise tax rates for liquefied petroleum gas, liquefied natural gas, and compressed natural gas. TITLE III--ADDITIONAL PROVISIONS (Sec. 3001) Revises aviation security service passenger fee requirements. Requires the deposit into the Treasury as offsetting receipts the following sums collected to pay the costs of providing civil aviation security services to airline passengers: \$1.560 billion for FY2024, and \$1.6 billion for FY2025.

Status Update: no change since the last report.

**H.R.3064, To authorize highway infrastructure and safety, transit, motor carrier, rail, and other surface transportation programs, and for other purposes.**

Introduced on July 6 by Congressman Chris Van Hollen (D-MD-8) with eight (now 12) cosponsors and referred to the Committees on Transportation and Infrastructure, Energy and Commerce, Ways and Means, Science, Space, and Technology, Natural Resources, Oversight and Government Reform, Budget, and Rules. Prescribes requirements for environmental reviews with respect to state and federal agency engagement, obstruction of navigation, historic sites, categorical exclusion of multimodal projects from environmental review, and creation in the Department of Transportation (DOT) of an Interagency Infrastructure Permitting Improvement Center. Directs DOT to establish a multimodal freight incentive grant program and a National Freight Infrastructure Program. Re-designates the Dwight D. Eisenhower System of Interstate and Defense Highways as the National Highway System and the National Freight Network. Requires the federal long-range transportation plan to include a transportation system resilience assessment. Prescribes criteria for high performing metropolitan planning organizations (MPOs) representing urbanized areas with populations of over 200,000. Removes the congestion management process from the transportation planning process for MPOs. Directs DOT to establish a pilot program for up to 10 MPOs to improve multimodal connectivity and increase connections for disadvantaged Americans and neighborhoods with limited

transportation options. Revises requirements with respect to congestion mitigation and air quality improvement, including electric vehicle charging stations and commercial motor vehicle anti-idling facilities in rest areas along the Interstate System. Establishes in DOT: a discretionary TIGER Infrastructure Grant Program for various transportation projects; and a discretionary FAST Grant Program to reform the way surface transportation investments and decisions are made, implemented, and funded to achieve national transportation outcomes. Revises requirements for the funding of railroad rehabilitation and improvement financing, the state infrastructure bank program, toll roads, bridges, tunnels, and ferries. Establishes within DOT the position of Assistant Secretary for Innovative Finance. Reauthorizes the federal-aid highway and related programs through FY2021, including revised obligation limitation and apportionment requirements. Directs DOT to: establish a nationally significant federal lands and tribal projects program to fund construction, reconstruction, or rehabilitation of nationally significant federal lands and tribal transportation projects; carry out a broadband infrastructure deployment initiative; create a program to make critical and immediate improvements to infrastructure and highway safety; set-aside specified funds for states for highway safety data improvement activities on public roads; and create and maintain data sets and data analysis tools to assist MPOs, states, and the DOT in carrying out performance management analyses. Federal Public Transportation Act of 2015 Revises fixed guideway capital investment grants requirements. Authorizes grants to state and local governments for very small starts projects. Revises requirements for formula grants for enhanced mobility and for rural areas, workforce development programs, and the public transportation safety program. Requires recipients of transportation assistance to meet certain standards for hiring locally. Reauthorizes specified public transportation assistance programs through FY2021. Authorizes DOT to make competitive grants to state and local governmental entities for bus rapid transit projects. Authorizes appropriations for specified highway safety programs through FY2021, and revises related requirements. Revises criteria for state graduated driver licensing incentive grants. Adds a 24-7 sobriety program to criteria for state repeat offender and open container laws. Authorizes specified amounts of grant funds to states for distracted driving enforcement. Authorizes appropriations for specified motor vehicle safety programs through FY2021, and increases penalties for safety violations. Revises certain reporting requirements for tire manufacturers. Requires DOT to conduct a pilot grant program to evaluate the feasibility and effectiveness for a state process for informing consumers of open motor vehicle recalls at the time of motor vehicle registration. Revises specified requirements for commercial motor vehicle and commercial driver safety. Requires disqualification to operate a commercial motor vehicle for anyone who fails to pay an assessed civil penalty for a motor vehicle safety violation. Revises certain medical and registration requirements for commercial motor vehicle operators. Revises requirements for the Motor Carrier Safety Assistance Program. Directs DOT to administer a High Priority Program, an innovative technology deployment grant program, and a Commercial Motor Vehicle Operators Grant Program. Authorizes DOT to establish: a motor carrier safety facility working capital fund, and a financial assistance program for commercial driver's license program implementation. Directs DOT to maintain for the Federal Motor Carrier Safety Administration a motor carrier safety advisory committee. Revises requirements for the Unified Carrier Registration System plan. Repeals the authorization for self-insurance by motor carriers. Prescribes notice requirements relating to decisions that electronic logging devices fail to comply with standards. Authorizes DOT to issue regulations: governing contractors that exercise control over motor carrier operations; and requiring motor vehicle employers to track and compensate employees for on-duty, not-driving time. Authorizes DOT, with respect to unsafe conditions or practices in the transportation of hazardous materials (hazmat transportation), to order necessary: operational controls, restrictions, and prohibitions without

prior notice or an opportunity for a hearing; and removal, remediation, or disposal of hazardous materials causing unreasonable risk of death, personal injury, or significant harm to the property or the environment. Authorizes DOT to collect reasonable fees for the administration of the special permits and approvals for deposit into a Hazardous Materials Approvals and Permits Fund. Revises requirements for planning and training grants under the Emergency Planning and Community Right-To-Know Act of 1986. Reauthorizes the program for regulating hazmat transportation through FY2021. Amends the Internal Revenue Code to extend through FY2023 specified highway-related taxes as well as requirements for expenditures from the Sport Fish Restoration and Boating Trust Fund. Replaces the Highway Trust Fund with a Transportation Trust Fund, and authorizes appropriations to it through FY2021. Directs DOT to establish and support a National Cooperative Freight Transportation Research Program and a Priority Multimodal Research Program. Revises the competitive selection process for the university transportation centers consortia program. Requires the Director of the Bureau of Transportation Statistics (BTS) to create data sets and data analysis tools for intermodal transportation data. Establishes in the BTS a National Transportation Library. Authorizes the BTS Director to establish a Port Performance Statistics Program to provide nationally consistent measures of performance of the nation's maritime ports. Revises requirements for the intelligent transportation system (ITS) program. Includes as an ITS program goal the development and deployment of automated vehicles in all modes of surface transportation. Prescribes requirements for the use of funds to develop ITS infrastructure, equipment, and systems. Rail for America Act Directs DOT to facilitate by financial assistance the establishment of a National High-Performance Rail System of integrated passenger and freight rail services, including a Current Passenger Rail Service Program and a Rail Service Improvement Program. Authorizes appropriations through FY2021 for the System and for the planning, development, construction, and implementation of rail corridors and related infrastructure improvements. Requires Amtrak to submit to the Secretary draft 5-year business line plans and draft 5-year capital asset plans. Authorizes DOT to establish Regional Rail Development Authorities, including a Regional Committee, to facilitate the development of multi-state high-performance rail services, and to coordinate these investments with other rail, transit, highway, and aviation system services. Prescribes requirements for the standardization of passenger equipment and level-entry boarding platforms. Directs DOT to: evaluate the shared-use of right-of-way by passenger and freight rail systems and the operational, institutional, and legal structures that would best support improvements to both of these systems; and conduct a nationwide disparity and availability study to establish the availability and utilization of small business concerns owned and controlled by socially and economically disadvantaged individuals in publicly funded railroad projects. Requires DOT to complete a National Rail Development Plan meeting certain criteria, and facilitate development of Regional Rail Development Plans. Authorizes DOT to prescribe regulations or issue orders to require host railroads for joint operations that occur within a small geographic area to develop unified rules governing all operations within that area. Revises or prescribes requirements relating to positive train control, hours of service, maximum employee duty hours, safety appliances, locomotive inspections, noise emission standards, and damaged track inspection equipment. Authorizes federal agency heads to construct, install, operate, and maintain electric charging infrastructure for official agency vehicles. Stop Corporate Expatriation and Invest in America's Infrastructure Act of 2015 Amends the Internal Revenue Code to revise rules for the taxation of inverted corporations (i.e., U.S. corporations that acquire foreign companies to reincorporate in a foreign jurisdiction with income tax rates lower than the United States) to provide that a foreign corporation that acquires the properties of a U.S. corporation or partnership after May 8, 2014, shall be treated as an inverted corporation and thus subject to U.S. taxation if, after

such acquisition: it holds more than 50% of the stock of the new entity (expanded affiliated group), or the management or control of the new entity occurs primarily within the United States and the new entity has significant domestic business activities.

Status Update: one cosponsor added since the last report.

**H.R.3104, To amend the Internal Revenue Code of 1986 to reduce carbon pollution in the United States, invest in the Nation's infrastructure, and cut taxes for working Americans.**

Introduced on July 16 by Congressman John B. Larson (D-CT-1) with no cosponsors and referred to the Committee on Ways and Means and Foreign Affairs. Amends the Internal Revenue Code to impose an excise tax, beginning in calendar year 2016, on any taxable carbon substance sold by its manufacturer, producer, or importer. Defines "taxable carbon substance" as: (1) coal (including lignite and peat); (2) petroleum and any petroleum products; and (3) natural gas that is extracted, manufactured, or produced in the United States, or entered into the United States for consumption, use, or warehousing. Establishes in the Treasury the America's Energy Security Trust Fund to assist industries negatively affected by this Act, make transfers to the Highway Trust Fund to cover shortfalls, and provide payroll tax relief. Allows individual taxpayers a tax credit equal to carbon tax rebate amounts calculated by the Department of the Treasury. Directs Treasury to study and report to Congress on the best methods to assess and collect taxes on non-carbon greenhouse gases. Expresses the sense of Congress that the United States should establish binding agreements with major greenhouse gas emitting nations to reduce global greenhouse gas emissions

Status Update: no change since the last report.

**S.1701, Infrastructure Rehabilitation Act of 2015**

Introduced on June 25 by Senator Lisa Murkowski (R-AK) with no cosponsors. The bill was referred to the Committee on Environment and Public Works.

Status Update: no change since the last report.

**S.1748, A bill to provide for improved investment in national transportation infrastructure.**

Introduced on July 9 by Senator Patty Murray (D-WA) with four cosponsors and referred to the Committee on Commerce, Science, and Transportation.

Status Update: no change since the last report.

**S.1680, National Multimodal Freight Policy and Investment Act**

Introduced on June 25 by Senator Maria Cantwell with three cosponsors (now 4). The bill was referred to the Committee on Commerce, Science, and Transportation.

Status Update: no change since the last report.

## **H.R.3337, National Infrastructure Development Bank Act of 2015**

Introduced on July 29 by Congresswoman Rosa DeLauro (D-CT-3) with seventy cosponsors (now 84). The bill was to the Committee on Energy and Commerce, Transportation and Infrastructure, Financial Services, and Ways and Means. Establishes the National Infrastructure Development Bank as a wholly owned government corporation. Makes the Bank's Board of Directors responsible for monitoring and overseeing energy, environmental, telecommunications, and transportation infrastructure projects. Authorizes the Board to: (1) make senior and subordinated direct loans and loan guarantees to assist in the financing or refinancing of an infrastructure project, (2) issue public benefit bonds and provide financing to infrastructure projects, and (3) pay an interest subsidy to the issuer of American Infrastructure Bonds. Requires the Board to establish an Executive Committee to establish requirements and make recommendations for project proposals to be considered for financial assistance. Requires the Bank to establish a Risk Management Committee, which shall: (1) create financial, credit, and operational risk management guidelines for the Bank; (2) set guidelines to ensure diversification of lending activities by geographic region and infrastructure project type; (3) create conforming standards for all financial assistance provided by the Bank; (4) monitor financial, credit, and operational exposure of the Bank; (5) provide financial recommendations to the Board; and (6) ensure that the aggregate amount of interest subsidies provided for American Infrastructure Bonds in a given calendar year does not exceed 28% of interest payable under all such Bonds. Requires the Bank to establish an audit committee. Requires the Board to approve criteria established by the Executive Committee for determining project eligibility for financial assistance. Sets forth criteria to be considered by the Board for each type of infrastructure project. Requires the Executive Committee to conduct an analysis that considers the economic, environmental, and social benefits and costs of each project under consideration, prioritizing projects that contribute to economic growth, lead to job creation, and are of regional or national significance. Requires any financial assistance for an infrastructure project to be repayable from dedicated revenue sources that also secure the infrastructure project obligations. Limits the amount of assistance under this Act to 50% of reasonably anticipated project costs. Exempts all bonds issued by the Bank from state or local government taxation. Sets forth requirements regarding compliance of assisted projects with wage rate, domestic content, and buy American statutes. Requires the Board to establish an American Infrastructure Bond program. Establishes in the Treasury the National Infrastructure Development Bank Trust Fund into which an amount estimated to equal the tax receipts attributable to interest payable under such Bonds is to be appropriated.

Status Update: no change since the last report.

## **H.R.3376, To authorize States to carry out bridge construction, maintenance, repair, and replacement projects using previously allocated surface transportation funds that are identified as being excess or inactive, and for other purposes.**

Introduced on July 29 by Congresswoman Nita Lowey (D-NY-17) with no cosponsors. The bill was referred to the Transportation and Infrastructure Committee.

Status Update: no change since the last report.

**H.R.3398, To improve the condition and performance of the national multimodal freight network, and for other purposes.**

Introduced on July 29 by Congressman David Reichert (R-WA-8) with two cosponsors. The bill was referred to the Committee on Transportation and Infrastructure.

Status Update: no change since the last report.

**S.1994, Tax Relief And Fix-The-Trust Fund For Infrastructure Certainty Act of 2015**

Introduced on August 5 by Senator Thomas Carper (D-DE) with one cosponsor. The bill was referred to the Committee on Finance. This bill amends the Internal Revenue Code to phase in: (1) an increase of the excise tax rate on gasoline beginning in 2016 until such rate is 34.3 cents per gallon in calendar years beginning after 2018, and (2) a similar increase to 40.3 cents per gallon for diesel fuel and kerosene. The rates are to be adjusted for inflation for calendar years after 2019. The bill phases in increases in allocations of fuel excise tax amounts to the Mass Transit Account of the Highway Trust Fund for calendar years beginning in 2015. Such increased allocations are to be adjusted for inflation for calendar years beginning after 2019. The bill makes permanent the increase in the refundable portion of the child tax credit and the increase in the earned income tax credit for families with three or more qualifying children. The earned income tax credit is also modified to: (1) allow an increase in such credit for individuals with no qualifying children, (2) revise tax credit eligibility rules for married individuals living apart and qualifying children claimed by another family member, and (3) repeal the denial of such credit for taxpayers with excess investment income.

Status Update: no change since the last report.

**S.2008, Transportation, Access, and Opportunity Act of 2015**

Introduced on August 6 by Senator Jeff Merkley (D-OR) with no cosponsors. The bill was referred to the Committee on Banking, Housing, and Urban Affairs.

Status Update: no change since the last report.

**H.R.3465, Public-Private Partnership Infrastructure Investment Act**

Introduced on September 9 by Congressman Sean Patrick Maloney (D-NY-18) with no cosponsors. The bill was referred to the Committee on Transportation and Infrastructure.

Status Update: no change since the last report.

**H.R.3585, Surface Transportation Research and Development Act of 2015**

Introduced on September 22 by Congresswoman Barbara Comstock (R-VA-10) with six (now 7) cosponsors. The bill was referred to the Subcommittee on Highways and Transit.

Status Update: on cosponsor added since the last report.

### **H.R.3756, WIFIA Improvement Act**

Introduced on October 16 by Congressman Carlos Curbello (R-FL-26) with 17 (now 24) cosponsors. The bill was referred to the Subcommittee on Environment and the Economy.

Status Update: seven cosponsors added since the last report.

### **S.2247, SAFE Bridges Act of 2015**

Introduced on November 5 by Senator Jeanne Shaheen (D-NH) with no cosponsors. The bill was referred to the Committee on Environment and Public Works. This bill directs the Department of Transportation to establish a program to assist states to rehabilitate or replace bridges found to be structurally deficient, functionally obsolete, or fracture critical. States shall use apportioned program funds for projects to rehabilitate and replace such bridges. The federal share of project costs is 100%

Status Update: no change since the last report.

### **H.R.4081, TIFIA 2.0 Act**

Introduced on November 19 by Congressman Daniel Webster (R-FL-10) with no cosponsors and referred to the Subcommittee on Highways and Transit.

Status Update: bill added since the last report.

### **H.R.4228, To amend title 23, United States Code, to establish additional requirements for certain transportation projects with estimated costs of \$2,500,000,000 or more, and for other purposes.**

Introduced on December 10 by Congressman Mark DeSaulnier (D-CA-11) with one cosponsor and referred to the Committee on Transportation and Infrastructure.

Status Update: bill added since the last report.